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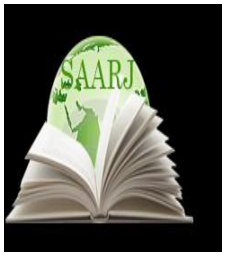

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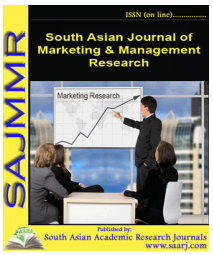

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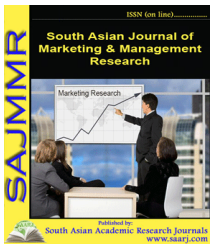

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AN EXAMINATION OF HUMAN CAPITAL DEVELOPMENT AND ECONOMIC GROWTH IN NIGERIA

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ABSTRACT

The study investigates the relationship between human capital development proxies and economic growth in Nigeria. The main motivation is to empirically determine if human capital development proxies have the capacity to enhance economic growth. The study used annual data from 1980-2019 and the variables are government expenditure on primary school enroelment, goverment expenditure on secondary school enrolment, government expenditure on tertary school enrolment, government expenditure on health services and real gross domestic product. The study employed Unit Root test for stationarity, Auto regressive distributed lags (ARDL) to Co-integration test and ECM test to determine the speed of adjustment from the short to its long run equilibrium and looked at the trends analysis of the data in the model. Furthermore, pre-diagnostic and post diagnostic test were carried out to estimate the variables. The log-linear Ordinary Least Square result indicates that R^2 is 99 per cent and that given the F value of 1560.036, the entire model is internally consistent. There is no auto-correlation in the model since DW is 1.732938 and close to 2. The results shows that variables are integrated of order 1(0) and 1(1) thereby establishing that the variables are co-integrated. The ECM (t-1) value of -51per cent shows that it is rightly signed and is able to correct, adjust and tie the short run dynamics with the long run equilibrium with a speed of about six months. The post test results reveal that Heteroskedasticity and serial correlation is not a problem in the model. The study also discovers in addition some level of structural stability in the model using Cumulative Sum (CUSUM) test. The study concludes that human capital development enhances economic growth in the long run and recommends government wholistic re-focused attention on education sector due to the productive link between human capital development economic growths.*

KEYWORD: *Human capital development, Economic growth, School enrolment, ARDL.*

INTRODUCTION

The twenty-first century has witnessed the transition from the production economy to the knowledge economy, and there has been a paradigm shift in the way 'assets' are viewed with in organisations (Ajadi and Adebakin, 2014). Traditionally, the long-held belief was that a firm's physical asset paved the way for economic success; however, as Becker describes 'physical resources explain only a relatively small part of the growth of income in most countries. From a strategic management perspective, physical resources confer little advantage to organisations because they can be bought and sold on the open market with ease. In a knowledge economy, it is the intangible abilities and skills of the workforce and the knowledge inherent within the organisations structures, routines, systems and processes which can contribute towards the knowledge capital of the organisation (Eigbiremolen and Anaduaka, 2014). As a matter of fact, Human Capital Development (HCD) plan offers a platform for developing and holding high caliber talent necessary to attaining the inclusive goal of skills improvement in Nigeria. It constitutes a stock of capabilities, skills, knowledge and personalities characteristics personified in individuals which expedite their ability for the creation of personal, economic and social values (Olalekan, 2014).The idea of human capital development talks about the abilities and skills of human resources of a country, while HCD refers to the procedure for obtaining and increasing the number of persons who have the skills, education and experience that are critical for economic growth of a country's economy (Mehrara and Musai, 2013). The Nigerian educational economy has witnessed a paradigm shift within the last 2 to 3 years in a more declining manner. The population's exposure to the crescendos of a fluctuating educational system in no small measure has produced changes due to the penchant for better educational systems implanted with required skills. In line with above reasoning, qualification, skill, knowledge and attitude of people will be the greatest impairment or spur to our economic growth **(**Ehimare, Ogaga-Oghene, Obarisiagbon and Okorie (2014)**.** To move the nation's educational pursuit to great height, there is necessity for partnership from the government and the private sector involvement in the making of educational policies and putting into practice the policies alongside its funding. The government should as a matter of urgent attention provide the desirable spurs to be able to attract financial institutions to buoy up investment in HCD at all stages of education. The above calls for tactical treaties with international donor organisations for HCD improvement and to encourage literacy at all levels (Onyeagu and Okeiyika, 2013).

Statement of the Problem

The situation of education in Nigeria illustrates a gloomy picture. There are myriad of glitches threatening educational system in Nigeria. Basically, Nigeria has 46 tertiary institutions which are obligatory by law to provide for the educational needs of over 42 million Nigerian children seeking for higher education year-in year out. Out of this number, only about less than 24 million children are in primary school level and about 33.9 million children of secondary school age while only 6.4million are in secondary schools (FSS, 2015). This assertion is nothing but the nude truth of the level the system has diminished into and in view of the 2016/2017 and 2017/2018 jamb results pass rate of about 35%, indications posit poor quality of secondary school graduates. The reason for the above scenario is rooted in the failure of the educational system to fit towards meeting the developmental necessities of the nation. Being a multifaceted problem, there is poor planning, mismanagement of funds and ceaseless strike actions by the Federal higher institutions in Nigeria and as a consequence, system decay results there from. Over the years, government has made strenuous efforts to put squared peg in a squared hole.

Chains of reforms include restructuring and improving the quality of the educational system. These initiatives include developing technical training centre to make educational products serviceable in the economy. Additional strategies to compliments the above are educational curricula alignment with requirements of employers, positioning technical education as key to economic development, private sector involvement in education to complement government effort, use of vocational training approaches to boost HCD and mass literacy programs to improve adult literacy. Despite these laudable efforts initiated by the government to remedying the rot in the educational systems at all levels, significant improvement has not been recorded. It is against this background that the study is empirically set to investigate the impact of HCD on economic growth. The objective of the study generally is to examine the impact of HCD on economic growth and to verify if a long run link subsists among the variables.

Theoretical Literature Review

Modern debates on human capital development and economic growth have been surrounded by three theories below.

Human Capital Theory:

The unique idea of human capital is traced back at least to Adam Smith in the 18th century. The modern theory was simplified by Gary Becker, an economist and Nobel Laureate from the University of Chicago, Jacob Mincer, and Theodore Schultz but the glory is more to Economist Theodore Schultz who developed the term "human capital" in the 1960s to mirror the value of human capacities. This theory shows how education leads to upsurge in productivity and effectiveness of workers by snowballing the level of their mental skills. Theodore, Schultz, Gory Bucker and Jacob Mincer introduced the notion that people invest in education so as to surge their stock of human capabilities formed by merging innate abilities with investment in human beings (Usman and Olure-Bank, 2019). Such investments include outlay on education, on- the-job training, health, and nutrition. Conversely, the stock of human capital upsurges in a period only when gross investment exceeds depreciation with the passage of time, with intense use or lack of use. The delivery of education is seen as a productive investment in human capital, an investment which the proponents of human capital theory considers to be equally worthwhile than that in physical capital. Human capital theorists have recognized that basic literacy enhances the productivity of workers low skill occupations. They further asserts that instruction that demands logical and analytical reasoning provides technical and specific knowledge increases the marginal productivity of workers in high skill or profession and positions. Besides, the greater the provision of schooling society and accordingly, the greater the surge in national productivity and economic growth.\

The Modernization Theory:

There were many advocates of Modernization Theory, such as, Walter Rostow, Lewis, Talcott, and Lerner (1979). They all felt that the rest of the world needed to look to the Western model of modernity and form their society like the West in order to advance. However, Modernization theory originated from the ideas of German sociologist Max Weber (1864–1920), which provided the basis for the modernization paradigm developed by Harvard sociologist Talcott Parsons (1902–1979).This theory emphasis is on how education transmutes an individual's value, belief and performance. It lays more emphases on the capacity of modernization institutions such as schools, factories, and mass media to inculcate modern values and attitudes on the people. The attitude include openness to innovative idea, freedoms from traditional

authorities, readiness to plan and evaluate more necessities and rising sense of personal and social efficiency. Conferring to the modernization theorists, these normative and attitudinal changes remain throughout the life cycle, perpetually altering the individual's bond with the social structure. The countless the number of people exposed to modernization institutions, the greater the level of individual modernity reached by the society. As soon as a critical segment of a population changes in this way, the hop of society's modernization and economic growth fast-tracks. Consequently, educational development through its effects on individual values and benefits sets in motion the essential building blocks for a more productive workforce and a more continuous economic growth.

The Dependency Theory:

Dependency Theory developed in the late 1950s under the guidance of the Director of the United Nations Economic Commission for Latin America, Raul Prebisch**.** From then the Marxist theorized it based on the dynamic world system that structures conditions for economic transformation in both the core and periphery of the world economy. Definite features of the world polity such as state fiscal power, degrees and regime domination and outside political integration may add to economic growth in the emerging world.

Empirical Literature Review

This study by Usman and Olure-Bank (2019) examines the random effect of human capital development on economic growth of ECOWAS member states for the period of thirty seven years from 1980-2016, the measurement of random effect of human capital development on economic growth of ECOWAS member countries encompasses World Development Indicator and human capital index, four human capital variables are used, namely: expenditures on education (EED), expenditures on health (EHE), gross domestic product (GDP) and school enrolment (SCE), these variables were transformed to logarithm of base ten (10) to give more robust estimates, the economic growth was proxied by GDP, which is dependent variable, the empirical evidence is based on the Pedroni residual co-integration approach to test for the long-run relationship among the variables, the findings show that there is positive and significant relationship between GDP and government expenditure on education, expenditure on health and school enrolment in the ECOWAS counties, the study concludes that human capital development has an effect on economic growth in the ECOWAS region, the study is very relevant to the post-2015 Sustainable Development Goals agendas for two fundamental reasons: (a) Exclusive development is a critical policy syndrome in ECOWAS region where human capital development is a key to attain the SDGs extreme poverty target despite enjoying more than two decades of growth resurgence in some member states. (b) Growth in the region can primarily be driven by high human capital with the population of member countries expected to double in about 30 years, high investment on education and health for inclusive development is very welcome. This is essential because studies have shown that the increase in human capital development (resulting from increasing investment in education and health) would be enhances economic growth and development

The study by Uduh and Chioma (2018) considered the influence of Nomadic education expenditure and economic growth in Nigeria. The study made use of time series data on real gross domestic product and total government outlay on Nomadic education from 1986 to 2014. The study engaged ordinary Least Square (OLS) for long run relationship between the variables and discovered that total government spending on Nomadic education has a significant effect on

economic growth in Nigeria. The study concludes that there is need for the government to increase her budgetary allocation to the nomadic education and other educational sector because adequate investment in this sector will improve educational outcome and induce the nation economic growth.

This study by Ogunleye, Owolabi, Sanyaolu, and Lawal (2017) employs the ordinary least square regression analysis to examine the impact of human capital development on economic growth of Nigeria, using annual time series date from 1981 to 2015. The empirical results show that human capital development has significant impact on economic growth, as proxy by the gross domestic product. In line with theory, the human capital development indicators namely secondary school enrolment, tertiary school enrolment, total government expenditure on health and total government expenditure on education exhibit positive and statistically significant impact on economic growth of Nigeria which implies that these indicators are indispensable in the achievement of growth in the Nigerian economy. However, life expectancy and primary school enrolment exhibit a negative and statistically insignificant impact on economic growth of Nigeria. The study concluded that the Nigerian government should ensure to allocate adequate resources for the development of human capital in order to enhance economic growth in Nigeria. The study also recommended that going forward the government and policy makers should increase its total expenditure on education, ensure sufficient budgetary allocation on health expenditure, and ensure a standard is set across all secondary and tertiary institutions in the country so that proper human capital required for any individual to become productive and economic growth is enhanced.

The study by Adenike and Sheriffdeen (2017) scrutinizes the interactive consequence of the link between human capital investment components and economic growth in Nigeria for the period of 1986 – 2014. The study engaged secondary annual data on education expenditure, health expenditure, real gross domestic product and gross capital formation gotten from the Central Bank Statistical bulletin, 2014. The data were examined using Fully Modified Ordinary Least Squares (FMOLS) procedure. The outcomes of the study exhibited positive and significant association between the interactive effects of human capital components and growth in Nigeria. The study in conclusion offered that the interactive effect of the human capital variables was also in compliance with the theoretical proposition that upsurge in human capital will enhance economic growth.

Osoba and Tella (2017)examined the interactive effects of the relationship between human capital investment components and economic growth in Nigeria for the period of 1986 – 2014. The study employed secondary annual data on education expenditure, health expenditure, real gross domestic product and gross capital formation obtained from the Central Bank Statistical bulletin, 2014. The data were analyzed using Fully Modified Ordinary Least Squares (FMOLS) technique. The results of the study showed that there was positive and significant relationship between the interactive effects of human capital components and growth in Nigeria. The study concluded that the interactive effect of the human capital variables was also in conformity with the theoretical proposition that increase in human capital will enhance growth as stipulated in the modified Solow growth model

Ekesiobi, Dimnwobi, Ifebi and Ibekilo (2016) examined public sector education investment and manufacturing output in Nigeria. The study employed Augmented Dickey-Fuller (ADF) unit root test and Ordinary Least Square (OLS) technique to analyze the relationship between public educational spending, primary school enrolment rate, per capita income, exchange rate, foreign

direct investment and manufacturing output growth. The study revealed that public education spending has a positive but insignificant effect on manufacturing output growth in Nigeria. They recommended among other things, that government should target education spending in ways that favour manufacturing industry growth

Lawanson (2015) investigated the relevance of educational and health components of human capital to economic growth, using a panel data from sixteen West African countries over the period 1980 to 2013. He employed Diff-GMM dynamic panel technique. The empirical findings indicate that coefficients of both education and health have positive statistically significant effects on GDP per capita. The paper affirms the strong relevance of human capital to economic growth of West Africa. He recommended that increased resources and policy initiatives to motivate and enhance access to both health and education by the population should be pursued by policy makers

Jaiyeoba (2015) empirically examined the correlation between investment in education and health in Nigeria, by means of time series data from 1982 to 2011. Trend analysis, the Johansen cointegration and Ordinary Least Square approach were adopted. Findings empirically specified a long-run connection between government spending on education, health and economic growth. The variables used are health and education spending, secondary and tertiary enrolment rate and gross fixed capital formation. Entire variables appear with the anticipated positive signs and are internally consistent except government expenditure on education and primary enrolment rate. Results of this work have robust consequences on education and health policies and bearing in mind that they are of countless debate in the country. The study recommends that to fast-track growth and set free Nigerians from the vicious cycle of poverty, policies by government should be tailored in the direction of substantial investment in the education and health sectors.

The research study by Nwanne (2015) aimed at examining the effect of HCD on the growth of Nigerian economy. Using co-integration techniques to investigate the effect of HCD and economic growth in Nigeria, we observed that there is significant long-run connection between HCD and economic growth in Nigeria. This is confirmed by the Johansen co-integration test. The Vector Error Correction Model (VECM) shows that 1% increase in the government expenditure on education, on the average, caused to 23.8% increase in GDP while 1% increase in the government expenditure on health contributed 37.6% decrease in GDP.

Sulaiman, Bala, Tijani, Waziriand Maji (2015) investigated the impact of human capital and technology on economic growth in Nigeria. They employed annual time series data for the period of 35 years (1975-2010) and applied autoregressive distributed lag approach to Co-integration to examine the relationship between human capital, technology, and economic growth. Two proxies of human capital(secondary and tertiary school enrolments) were used in two separate models. Their result revealed that all the variables in the two separate models were Co-integrated. Furthermore, the results of the two estimated models showed that human capital in form of secondary and tertiary school enrolments have had significant positive impact on economic growth. More so, technology also shows significant positive impact on economic growth. In a nutshell, both human capital and technologies are important determinants of growth in Nigeria. Therefore, improvement of the educational sector and more funding for research and development (R&D) to encourage innovations are needed to facilitate Nigeria's sustained economic growth.

Borojo and Jiang (2015) analysed the impact of education and health (human capital) on economic growth from 1980 to 2013 in Ethiopia. Human capital stock is proxy by primary, secondary and tertiary school enrolment. Human capital investment is proxy by expenditure on education and health. The Augmented Dickey Fuller test and Johansen's Co-integration technique were used to test unit root and to validate co-integration among variables, respectively. Their study showed that public expenditure on health and education, primary and secondary school enrolment have positive statistically significant effect on economic growth both in long run and short run. In addition, physical capital has positive whilst inflation has negative effect on economic growth. However, tertiary school enrolment has insignificant effect on economic growth both in long run and short run. Based on their findings increasing primary and secondary school enrolment is recommended. In addition, substantial amount of government expenditure should be allocated towards health and education sectors to further increase contribution of the sectors to economic growth.

Model Specifications

This study seeks to determine the impact of human capital development on economic growth in Nigeria for the periods 1980-2019. To achieve this, a log-form of OLS regression model was adopted for this work. The model for the study is specified as;

$$RGDP = f(\text{PGPE, SGEE, TGSE, HGEE}) \quad \textbf{(1)}$$

Explicitly the above equation can be stated thus

$$RGDP = \phi_0 + \phi_1 pgee + \phi_2 sgee + \phi_3 tgse + \phi_4 hges + \mu_t \quad \textbf{(2)}$$

The log-linear form of the model is stated as follows

$$\ln rgdp = \phi_0 + \phi_1 \ln \sum_{t-1}^{n} pgee_t + \phi_2 \ln \sum_{t=1}^{n} sgee_t + \phi_3 \ln \sum_{t-1}^{n} tgse_t + \phi_4 \ln \sum_{t-1}^{n} hges_t + \mu_t \quad \textbf{(3)}$$

Where

RGDP= Real gross domestic product, PGEE= government expenditure on primary school enroelment,SGEE = goerenmt expenditure on secondary school enrolment,,TGSE = government expenditure on tertary school enrolment, HGES = government expenditure on health services.

ϕ_0 = constant

$\phi_1\phi_1 - \phi_4 > 0$ = coefficients of the explanatory variables

μ_t = Error term

EMPIRICAL RESULTS AND ANALYSIS

PRE- DIAGNOSTIC TEST

TABLE 1. CORRELATION MATRIX TEST, 1981 -2017

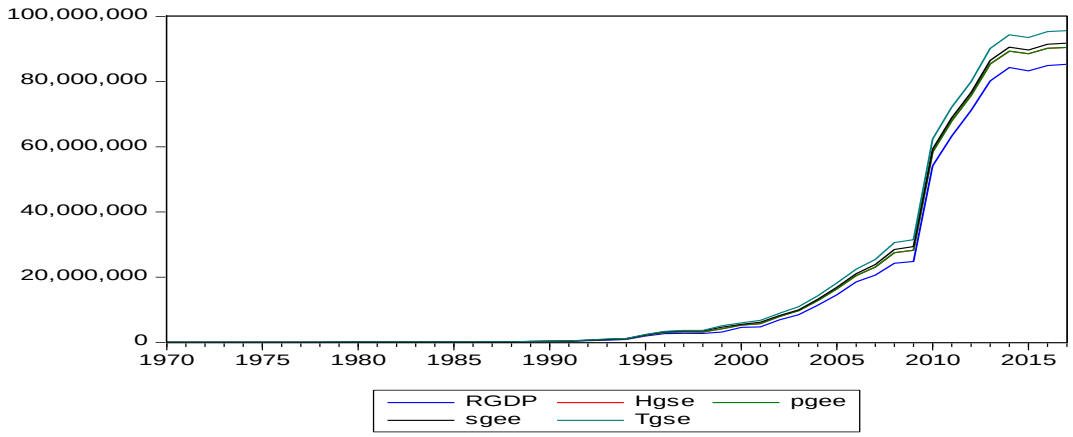
	RGDP	HGSE	PGEE	SGEE	TGSE
RGDP	**1.000000**	**0.668958**	**0.441449**	**0.706060**	**0.778572**
HGSE	**0.668958**	**1.000000**	**0.055480**	**0.771037**	**0.667610**
PGEE	**0.441449**	**0.055480**	**1.000000**	**0.055721**	**0.051808**

SGEE	**0.706060**	**0.771037**	**0.055721**	**1.000000**	**0.557560**
TGSE	**0.778572**	**0.667610**	**0.051808**	**0.557560**	**1.000000**

Source*: *Author's computation (E. View 9.0)

The correlation between HGSE and RGDP variables demonstrated a strong but positive bond of about 66 per cent and it is in line with economic theory since an upsurge in HGSE leads to an increase in RGDP in Nigeria. The correlation between PGEE and RGDP is positive and weak and stood at about 44per cent. This is in line with economic theory and apriori expectations. The correlation between SGEE and RGDP specifies that there is a strong but positive correlation of about 70 per cent and is not in line with economic theory. The correlation between TGSE and RGDP indicates a strong and positive correlation of about 77 per cent. Above all, there is non-appearance of multicolliniarity since all the variables were less than 0.80 in their values as a rule.

Fig 1. Trends Analysis in Graph.



Scale: 1cm : ₦20,000 million on the vertical axis: 1cm : 1 year on the horizontal axis

Figure 1. Line Graph Human capital development (HCD)**& Economic growth**

Figure 1 shows the trends of HCD and other determining variablesfrom 1980 - 2019. The graph designates that HCD and economic growth moves in the same trends from 1980-2019 within the periods of review.

TABLE 2. UNIT ROOT TEST RESULT (ADF)

Augmented- Dickey Fuller Test							
Variables	**Levels**			**First difference**			**Order of integration**
	ADF Stat	**Test critical value (5%)**	**Remark**	**ADF Stat**	**Test critical value (5%)**	**Remark**	
RGDP	**-1.422824**	**-3.533083**	**NS**	**-4.570048**	**-3.536601**	**S**	**1(1)**
HGSE	**-3.319439**	**-3.515523**	**NS**	**-5.333325**	**-3.520787**	**S**	**1(1)**
PGEE	**-6.842335**	**-3.508508**	**S**	**-7.816283**	**-3.513075**	**-**	**1(0)**

SGEE	**-1.470813**	**-3.508508**	**NS**	**-8.519783**	**-3.510740**	**S**	**1(1)**
TGSE	**-0.590853**	**-3.508508**	**NS**	**-7.074230**	**-3.510740**	**S**	**1(1)**
Note: ADF Tests for H_0Xt as 1(1) against H_1Xt as 1(0)							

Source: Authors' computation (E.view 9.0)

From Table 2, the variables have a mix of integration i.e 1(0) and 1(1) using the ADF test to determine the time series properties of the model. PGEE variable became stationary in levels while others at their first differences thereby fostering the problem of spurious regression associated with time series data. According to the Granger Representation theorem, when variables are co-integrated, there must also be an error correction model (ECM) that defines the short-run dynamics or adjustments of the co-integrated variables towards their equilibrium values.

TABLE 3. UNIT ROOT TEST RESULT (P-P)

Phillip-Perron Test							
Variables	**Levels**			**First difference**			**Order of integration**
	ADF Stat	**Test critical value (5%)**	**Remark**	**P-P Stat**	**Test critical value (5%)**	**Remark**	
RGDP	**-0.357881**	**-3.508508**	**NS**	**-5.464532**	**-3.510740**	**S**	**1(1)**
HGSE	**-0.975027**	**-3.508508**	**NS**	**-7.159627**	**-3.510740**	**S**	**1(1)**
PGEE	**-6.842702**	**-3.508508**	**S**	**-46.24826**	**-3.510740**	**-**	**1(0)**
SGEE	**-1.166516**	**-3.508508**	**NS**	**-10.95352**	**-3.510740**	**S**	**1(1)**
TGSE	**-0.697775**	**-3.508508**	**NS**	**-7.150803**	**-3.510740**	**S**	**1(1)**
Note: P-P Tests for H_0Xt as 1(1) against H_1Xt as 1(0)							

Source: Authors' computation (E.view 9.0)

From Table 3, the variables have a mix of integration i.e 1(0) and 1(1) using the P-P test to determine the time series properties of the model. PGEE variable became stationary in levels while others at their first differences thereby fostering the problem of spurious regression associated with time series data.

TABLE 4, ARDL CO-INTEGRATION TEST RESULT

Dependent Variable	**AIC Lags**	**F -statistics**	**F Prob.**	**Outcome**
Log(RGDP/HGSE	**(1, 0)**	**38.29762**	**0.000000**	**Co integration**
Log(HGSE/RGDP)	**(1, 0)**	**38.29762**	**0.000000**	**Co integration**
Log(PGEE/RGDP)	**(1, 0)**	**0.141750**	**0.065190**	**No Co integration**
Log(SGEE/RGDP)	**(1, 0)**	**3.230144**	**0.084921**	**No Co integration**

Log(TGSE/RGDP)	**(1, 0)**	**20.78446**	**0.000000**	**Co integration**
ARDL results shows 3 Cointegrrrating equation				
Lower Bounds = 3.23			**Upper Bounds = 4.89**	

From Table 4, ARDL Co-integration test is used to identify the co-integrating relationship among the variables. The null hypothesis of no co-integration is rejected at 0.05 levels for 3 co-integrating equation. The ARDL test indicate that there is 3 co-integrating equation between the variables at 5 per cent level of significance. Hence, a long run equilibrium relationship is established between these variables and the hypothesized fundamentals for the period under consideration, 1980 - 2019.

TABLE 5. ECM PARSIMONIOUS RESULT

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	**97538.89**	**725642.9**	**0.134417**	**0.8938**
D(HGSE)	**11.46098**	**2.775101**	**4.129934**	**0.0002**
D(PGEE)	**-1.299986**	**37591.09**	**-2.345823**	**0.0313**
D(PGEE(-1))	**-6.906473**	**37218.73**	**-3.185564**	**0.0037**
D(SGEE(-1))	**7.447463**	**6.605030**	**1.127544**	**0.2664**
D(TGSE(-1))	**3.203831**	**3.546460**	**2.903388**	**0.0319**
ECM(-1)	**-0.516227**	**3481079.**	**-2.579196**	**0.0258**
Adj. R^2 = 0.724717; DW = 1.830812; F* = 3.840787				

Source: Authors' computation (E.view 9.0)

The error correction term, ECMt-1, was significant at 5% with a high feedback of 51%. It is also negatively signed, showing that the adjustment is in the right direction to restore the long run relationship. This confirms also that any disequilibrium in the short run can be fixed back with a speed of 30% in the long run and statistically significant since t* value is -3.358469. Further, it discovered that, the (ECMt-1) approximately with the first quarter of the year and a day to correct the errors in the short runs to its long run. The result suggests that 1 per cent increase in government expenditure on health in current year causes an increase in the real gross domestic product by 11.46098 per cent. It equally impacted on real gross domestic product significantly with a t* value of 4.129934. The results suggests again, that 1 per cent increase in government expenditure on primary school enrolment in current year causes a decrease in the real gross domestic product by -1.299986 per cent but impacted on real gross domestic product significantly with a t* value of -2.345823. The lagged year coefficient value is -6.906473 and the t* value of -3.185564 indicates its internal consistency at 5 per cent. once more, 1 per cent increase in government expenditure on secondary school enrolment in the lagged year tends to a increase the real gross domestic product by 7.447463 per cent but did not impact on real gross domestic product significantly with a t* value of 1.127544. The coefficient of the lagged year value of government expenditure on tertiary education enrolment is 3.203831 indicating that I per cent increase in government expenditure on tertiary education enrolment by 2.903388 per cent increases real gross domestic product. The t* value of 2.903388 indicates its internal consistency at 5 per cent.

TABLE 6. MULTIPLE REGRESSIONS AT LOG-LINEAR. LOG(ECONOMIC GROWTH)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.475167	0.581683	-0.816884	0.4185
LOG(HGSE)	3.062713	0.756641	4.047776	0.0002
LOG(PGEE)	0.040168	0.053846	0.745972	0.4597
LOG(SGEE)	-1.095248	0.307302	-3.564083	0.0009
LOG(TGSE)	-0.905548	0.465710	-1.944444	0.0584
R2 =0.993156; F* = 1560.036; DW = 1.732938; AIC = 0.337519; SC = 0.532435				

Source: Computed Result (E-View 9.0)

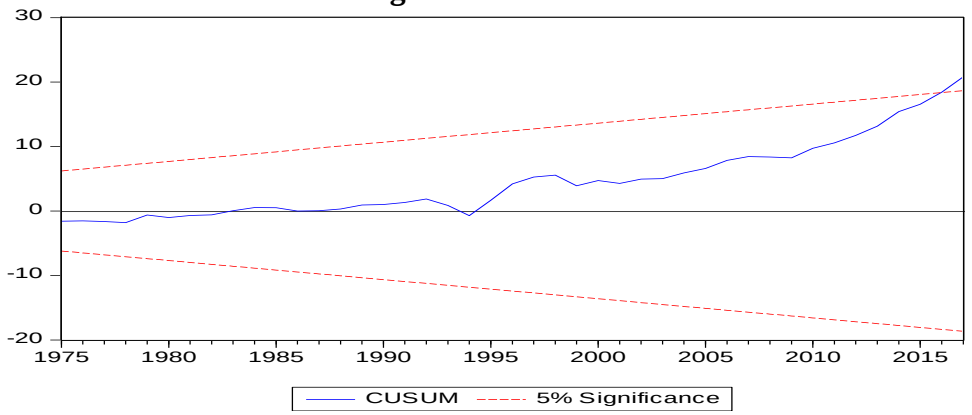
From Table 6, the R^2value is0.993156 or 99 per cent. This implies that the systematic variation in real gross domestic product is caused by the independent variables used in the model. The remaining 00.7 per cent is subsumed into the error terms. The AIC and SC values are 0.337519 and 0.532435 respectively. The implication for this result is that it can be amenable for policy formulations and implementations within the review periods. The model is entirely, statistically significant given the F* value of1560.036. The Durbin –Watson test indicated that absence positive first order serial correlation in the model with a value of 1.732938.The log coefficient of HGSE is 3.062713 per cent meaning that 1 per cent increase in HGSE implies an increase in RGDP. The relationship is rightly signed and in line with economic theory and internally consistent at 5 per cent level. The log coefficient of log credit to PGEE is 0.040168 per cent meaning that 1 per cent increase incredit to PGEE implies an increase in RGDP. The relationship is rightly signed and in line with economic theory and internally inconsistent at 5 per cent level. The log coefficient of SGEE is 0-1.095248 per cent meaning that 1 per cent increase SGEE implies a decrease in RGDP. This is not in line with economic theory but exhibited internal consistency at 5 per cent level. The log coefficient of TGSE per cent meaning that 1 per cent increase in TGSE implies a decrease in RGDP by -0.905548. This is not in line with economic theory and equally shows that it is internally inconsistent at 5 per cent level.

Post Estimation Test

The Test of Structural Stability of the Model

The stability test carried out displays that all the variables are stable since the CUSUM and within 5 per cent critical bound for stability as can be seen in fig 1.

Fig 1. CUSUM test



CONCLUSION

The study investigates the link between HCD and economic growth in Nigeria from 1980-2019. The results indicates that expenditure on health and primary school enrolment had positive relationship with economic growth. Emphasis should be placed on the health secor and the primary school enrolment. The minute we get it right from the primary stage, the secondary and tertiary level would be taken care off. The availability of skilled HCD is essential to fashioning and sustainable nations. There is an instant necessity to improve the skills of the current workforce and a medium to long term need to improve a continuous channel of quality human capital for the Nigerian state. This will be contingent on the restructuring of the collapsing educational and institutional structures in Nigeria.

RECOMMEDATIONS

i. Funding of education in nigeria should be done with a re-focused attention. This is because of the positive relationship education has with economic growth.

ii. Health workers and the labour force agitations sholud form the focal point of government activities as increased funding will in no small measure attract better performance in the sector.

iii. The international bench mark on education as matter of urgency should be strived at by th government. This will to redccue incessant and unnecessary strike actions by labours.

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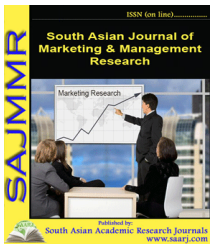

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COMPARATIVE ANALYSIS OF INTERNATIONAL AND NATIONAL FINANCIAL REPORTING STANDARDS OF THE REPUBLIC OF UZBEKISTAN

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ABSTRACT

The article is devoted to the issues of reforming accounting based on the achievements of world practice, in particular, international financial reporting standards. The article proves the relevance of studying the current state of the accounting system and identifying trends in its development. Recommendations on priority areas for further reforming accounting and financial reporting based on international standards were formulated.

KEYWORDS: *Financial Reporting, Harmonization, Convergence, International Financial Reporting Standards, National Accounting Standards.*

INTRODUCTION

The purpose of the research is to study the accounting and financial accounting system in companies in the context of the application of international financial reporting standards, to identify the most pressing and significant problems associated with their use, to determine the main directions and recommendations for its improvement. The object of the research is the system of financial accounting in the context of the application of international standards, the subject of the research is the ways of regulating the system of accounting and financial accounting. The research method is analysis, system approach, comparison method, generalization. Scientific research problem: in the context of the convergence of national accounting and international standards, it becomes necessary to identify and eliminate methodological and practical differences between them, to determine rational ways to assess the basic elements of financial reporting.

MATERIALS AND METHODS

In a globally integrated economy, links are established between business entities, banks and other financial corporation's from different countries. Participants in these relationships need to

understand their accounting. Otherwise, the possibility of economic relations between the participants in the global economy is lost. And this obliges the subjects of international cooperation to prepare financial statements based on principles and rules that do not oppose each other.

In this regard, in 1973, the International Accounting Standards Committee (IASC - International Accounting Standards Committee) - (IASB) in order to form the accounting principles used in the preparation of financial statements [1, 15].

The main goal of the IASB is to create universal financial reporting standards suitable for all, taking into account the best practices for preparing financial statements from all countries of the world, as well as finding ways to implement them into practice by improving them. Currently, more than 40 such standards have been developed and put into practice, including International Financial Reporting Standards (IFRS), which are a reliable and comparable basis for assessing the financial performance and financial position of a company. The main reasons for the appearance of IFRS in the national financial system of the Republic of Uzbekistan were the desire to show the transparency of the activities of domestic companies, the willingness to enter the international level. In the Republic of Uzbekistan, there are national accounting standards (NAS), the development and adoption of which allowed solving a number of problems in the accounting and financial reporting system. There is a gradual convergence of national accounting and reporting standards and IFRS. Currently, some of the NAS standards are already fully compliant with IFRS, some are not yet at all.

Table 1 below shows a comparison of IFRS and NAS [2] documents.

TABLE 1 COMPLIANCE TABLE OF INTERNATIONAL FINANCIAL REPORTING STANDARDS WITH NATIONAL ACCOUNTING AND REPORTING STANDARDS OF THE REPUBLIC OF UZBEKISTAN

IFRS	**NAS**
IAS 1 Presentation of Financial Statements.	NAS № 1 "Accounting policy and financial reporting"; NAS No. 3 “Report on financial results”; NAS No. 14 "Statement of Equity"; NAS № 15 "Balance sheet".
IAS 2 Inventories.	NAS № 4 "Inventories".
IAS 7 “Statements of Cash Flows”.	NAS No. 9 "Statement of cash flows".
IAS 8 Accounting Policies, Changes in Estimates and Errors.	NAS № 1 "Accounting policy and financial reporting".
IAS 10 Events after the Balance Sheet Date.	NAS № 16 "Unforeseen circumstances and events of economic activity occurring after the date of the balance sheet"
IAS 11 Construction Contracts.	NAS No. 17 "Contracts for capital construction"
IAS 12 Income Taxes.	Absent
IAS 16 Property, Plant and Equipment.	NAS № 5 "Fixed assets".
IAS 17 Leases.	NAS No. 6 "Lease accounting".

IAS 18 Revenue.	NAS № 2 "Income from core business".
IAS 19 Employee Benefits.	Absent
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.	NAS No. 10 "Accounting for government subsidies and disclosure of government assistance"
IAS 21 The Effects of Changes in Foreign Exchange Rates.	NAS No. 22 "Accounting for assets and liabilities denominated in foreign currency".
IAS 23 Borrowing Costs.	Absent
IAS 24 “Related Party Disclosures”.	Absent
IAS 26 “Accounting and reporting by retirement benefit plans (retirement benefit plans)”.	Absent
IAS 27 Consolidated and Separate Financial Statements.	NAS № 8 "Consolidated financial statements and accounting of investments in subsidiaries"
IAS 28 Accounting for Investments in Associates.	Absent
IAS 29 Financial Reporting in a Hyperinflationary Environment.	Absent
IAS 31 Interests in Joint Ventures.	Absent
IAS 32 Financial Instruments - Presentation.	NAS No. 12 "Accounting for financial investments"
IAS 33 Earnings per Share.	Absent
IAS 34 "Interim Financial Reporting".	Absent
IAS 36 “Impairment of Assets”.	Absent
IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”.	NAS No. 16 "Unforeseen circumstances and events of economic activity that occur after the date of the balance sheet."
IAS 38 Intangible Assets.	NAS № 7 "Intangible assets"; NAS No. 11 "Expenditures on research and development".
IAS 39 “Financial Instruments - Recognition and Measurement”.	NAS № 12 "Accounting for financial investments".
IAS 40 Investment Property.	Absent
IAS 41 Agriculture.	NAS No. 4 "Inventories"; NAS № 5 "Fixed assets".
IFRS 1 “First Adoption of International Financial Reporting Standards”.	Absent
IFRS 2 Share-based Payment.	Absent
IFRS 3 Business Combinations.	NAS №23 "Formation of financial statements in the implementation of reorganization."
IFRS 4 Insurance Contracts.	Absent
IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.	NAS No. 3 "Statement of financial results".

IFRS 6 Development and Evaluation of Mineral Resources	Absent
IFRS 7 Financial Instruments - Disclosures.	NAS № 12 "Accounting for financial investments".
IFRS 8 Operating Segments.	Absent
Absent	NAS № 19 "Organizationandinventory".
Absent	NAS No. 20 “On the procedure for simplified accounting and reporting by small and private businesses”.
Absent	NAS №21 "Chart of accounts for accounting of financial and economic activities of business entities."

In general, the conceptual basis for the preparation of financial statements in the Republic of Uzbekistan, both in accordance with national and international standards, do not contradict each other. But there are significant differences between the standards of the two systems associated with the style of their presentation, the volume of the text and explanations.

Using the example of the presentation of financial statements, let us consider the differences between international standards and national standards of the Republic of Uzbekistan (Table 2).

TABLE 2 DIFFERENCES BETWEEN INTERNATIONAL FINANCIAL REPORTING STANDARDS AND NATIONAL ACCOUNTING STANDARDS OF THE REPUBLIC OF UZBEKISTAN [4], [5]

Comparable actions, indicators, reporting	**International Financial Reporting Standards**	**National Accounting Standards**
Presentation of financial statements		
Reporting structure	International Financial Reporting Standard (IAS) 1 "Presentation of Financial Statements" does not establish a standard reporting structure, but contains a minimum list of items	National accounting standard NAS №1 "Accounting policy and financial reporting", prescribes a certain form of reporting. When entering additional details and information in the financial statements, the structure (line codes and columns) of the balance sheet, the statement of financial results, the statement of equity capital, the statement of cash flows must be observed
Statement of financial position (balance sheet)	The company may reflect assets and liabilities in order of their liquidity, and not broken down into current and long-term, only if this provides reliable and more	In the balance sheet, assets and liabilities should be divided into current and non-current

	relevant information	
Income statement	Companies can present expenses by function (cost, selling expenses; administrative expenses; other expenses) or by content (salaries, depreciation, rental expenses, etc.). However, if a decision is made to reflect expenses by function, then in the notes to the financial statements it is necessary to disclose information on the content	Costs categorized by function
Income classification	Generally, income is classified into: - revenue; - other operating income; - income from participation in capital; - financial income	Income is classified into: - revenue; - income from operating activities; - for financial activities; - extraordinary profit; - netprofit.
Offsetting profit and loss	Organizations present gains and losses arising from a group of similar transactions on a net basis, that is, they offset positive and negative exchange rate differences or gains and losses arising on financial instruments from the sale of non-current assets, etc.	The final financial result (profit and loss) for all transactions is presented on a gross basis
Cash flow statement	Standard titles for article groups are provided. Only general guidelines for reporting are offered. The report is drawn up directly or indirectly. In practice, the indirect method is more common.	Cash flow statements are prepared using direct and indirect methods. In practice, the direct method is more common.

RESULTS AND DISCUSSION

The transition to international financial reporting standards provides companies with significant benefits. Among the main ones are the following:

1. Possibility of access to international capital markets and fundraising.

2. Provides clarity for foreign investors. As a result, confidence from foreign investors has increased.

3. Access to the IPO (Initial Public Offering). As a result - attraction of investments, attraction of highly qualified specialists.

4. Legal requirement to submit financial statements in accordance with IFRS requirements.

At this stage, work continues on the harmonization of national accounting standards in accordance with IFRS. In the Republic of Uzbekistan, on February 24, 2020, Presidential Resolution No. 4611 "On Additional Measures for the Transition to International Financial Reporting Standards" was issued, providing for a fundamental revision of the process of implementing IFRS based on [3]:

- Voluntary transition to IFRS;

- a mandatory transition to IFRS from 2021 for a certain list of legal entities of public interest (joint stock companies, commercial banks, insurance organizations, legal entities classified as large taxpayers).

In order to further improve financial reporting in the context of applying international standards, it is necessary:

1. Maintenance of accounting records and preparation of financial statements based on IFRS, with the exception of legal entities, for which the legislation provides for an earlier period of transition to IFRS;
2. Ensuring a sufficient number of accounting staff who have successfully passed the subject "Financial reporting in accordance with IFRS" as part of the international certification of accountants or one of the certificates "Certified International Professional Accountant (CIPA)", "Certified Chartered Accountant (ACCA)", " Certified Public Accountant (CPA) ”and“ Diploma in International Financial Reporting (DipIFR) ”.
3. Carrying out further harmonization of national accounting standards in accordance with IFRS.
4. Training in IFRS for employees of the Ministry of Finance, the State Tax Committee, the Agency for State Assets Management, the Agency for the Development of the Capital Market and other interested government bodies in accredited training centers.
5. Introducing into the educational process updated curricula in the disciplines "Accounting" and "Audit" in the areas of bachelor's and master's degrees, providing for in-depth study of IFRS.
6. The introduction of an effective certification system in accordance with IFRS based on the best practices of developed countries will lead to a further expansion of interaction with international organizations in the field of accounting. The International Association of Chartered Certified Accountants (ACCA and others) to disseminate the successful world practice of training specialists in the field of IFRS, including the phased international accreditation of non-governmental educational organizations for retraining and advanced training in the field of accounting and audit.

CONCLUSION

Thus, the development of the accounting and financial reporting regulation system should be aimed at building such a model that would take into account the interests of all stakeholders, reduce costs and increase the efficiency of regulation. This model should be based on a reasonable combination of the activities of state authorities and the professional community (professional public associations and other interested public). Also, the implementation of the above measures to further reform the accounting and financial reporting system in Uzbekistan based on international standards will significantly increase the role of the accounting system in the modernization and

liberalization of the national economy and, ultimately, will lead to an increase in the standard of living of the active population of our republic.

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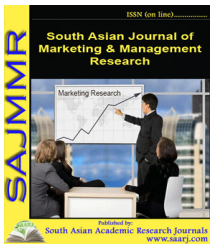

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PROVIDING HOUSEHOLD GOODS AND COMPUTER REPAIR SERVICES TO THE POPULATION OF THE REGION

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ABSTRACT

Analyzing development processes of providing household goods and computer repair services to the population of the region, the sequence of choosing and modeling the main factors which influence their development are represented through simulation schemes in this article.

KEYWORDS: *Darbin-Watson criterion, Fisher and student criteria. Service sector, complex modeling, econometric modeling, differential equations, static and dynamic parameters, structural analysis, synthesis, optimization, multifactorial empirical models, regression equation, correlation coefficient,*

INTRODUCTION

Over the past 30 years, the issues of empirical modeling, the information technologies' influence on the activities of the service sector and the optimal management of the economic system of the territory have received much attention in the scientific works of foreign and domestic scientists. Of the foreign scientists in this field, the research was conducted by an English economist M.Keynes and one of the Russian scientists V.M. Granberg[5; 14], but the research of scientists of our country has studied some aspects of optimal regulation of the economic system of regions. In particular, the theoretic and methodological aspects of the complex and proportional development of the territories were considered in the works of B. Ruzmetov[15]. Despite many years of research, the issue of accurate forecasting of the development of the economic system remains relevant.

The spread of digital technologies in Uzbekistan today is reflected in the" strategy of action on five priority areas of development of the Republic of Uzbekistan in 2017-2021", presented in Annex 1 to the Decree of the President of the Republic of Uzbekistan dated February 7, 2017 No. 4947, which States that"by expanding the scale of modernization and diversification of the regional economy, social growth will be ensured - accelerated development of comparable districts and cities by reducing differences in the level of economic development and, above all, improving the quality of public services".

In the implementation of these tasks, in terms of further deepening reforms, " ... in the future, there should be important tasks for the comprehensive development of not only the basic sectors of the economy, but also, above all, the regions, ensuring the vital interests of all citizens of the country and increasing their incomes»[1; 2].

II. Methods

Interest in regressive complex-numerical econometric models and complex-numerical variable functions with statistical observation arose in the 50-60s of the XX century. G. N. Tavares and L. M. Tavares in their research they also focused in this direction. Only in 2004, the Russian economist scientist S.G. Svetunkov for the first time created the theory of constructing complex numerical econometric models[16; 17; 18; 21]. This marked the beginning of the formation of an integrated digital economy. As noted in the studies of A.A. Afanasyeva, O.S. Ponomareva. and G.B. Kleiner "such production functions as describing the influence of production resources on the result of production, help to solve many practical issues. Media and technology can reduce the cost of internal governance in the industry. In his works, P. David[7]. argues that information technologies are "General-purpose technologies". Harvard Business School professor G. Love man [8] .

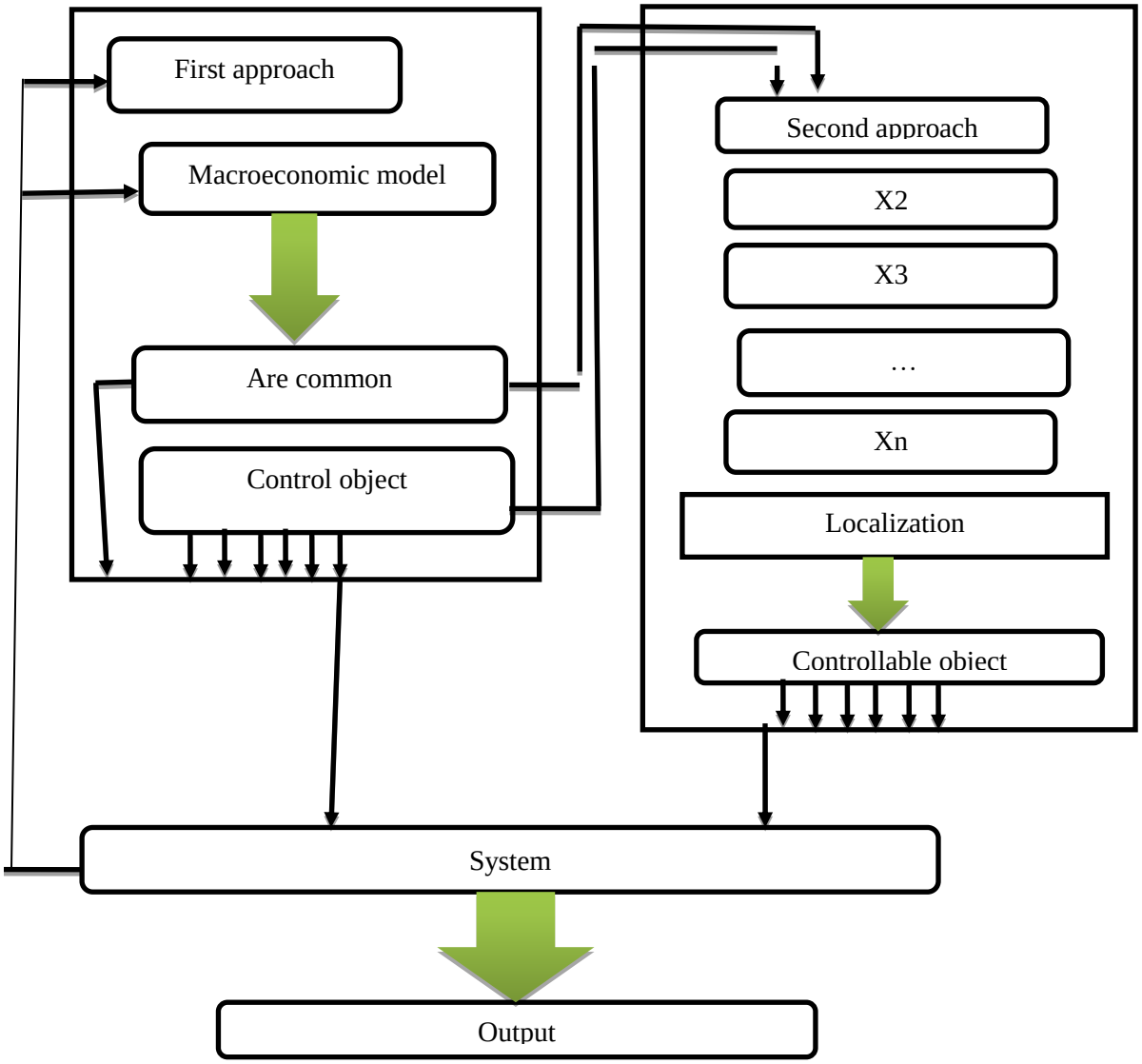
The complexity of public service systems (systems based on the use of information technologies) requires taking into account the specifics of digital technologies. It is responsible for intelligent processing of information about changes in the state (efficiency) of complex objects and provides the choice of management decisions[3; 4].

III. RESULTS AND DISCUSSION

Empirical methods do not negate simple, traditional methods, but help to further develop them and to analyze objectively variable outcome indicators through other indicators.

The real object is presented in the form of two systems: control and controllable (control object) in econometric modeling of the development of service sectors, in the description of management processes.

Using Figure 1. gives opportunity to accept analytical or imitation approaches which are developed in the form of appropriate language for modeling continuous systems or using analog and hybrid computational techniques in forming the process of continuous-determined ***S*** systems activity and evaluating their basic characteristics.



It gives opportunity not only in-depth analyzing service sectors, but also discovering their unexplored new laws. They can also be used to predict the future development of service sectors. It facilitates mental work along with the automation of computational work, creates the opportunity to organize and manage the work of personnel of service sector on the scientific basis.

It should be noted that the attitude of the population to the service sector is formed in the conditions of social ownership to production tools, a single centralized system of economic movement, limited economic independence of enterprises.

In the condition of market economy, service enterprises operate in a variety of forms of ownership, full economic independence and competitiveness. This market involves the flexible use of different methods of house holding management and the choice of econometric models of service, in this case, it creates opportunity for rapid adaptation to changes in the external environment in a competitive environment.

Our goal consists of analyzing the service sectors in the region and improving its models.

First of all, modeling gives opportunity to express a large and complex system using a simple model. The process of providing services to the population is a very complex system. It can be expressed through a systematic analysis scheme.

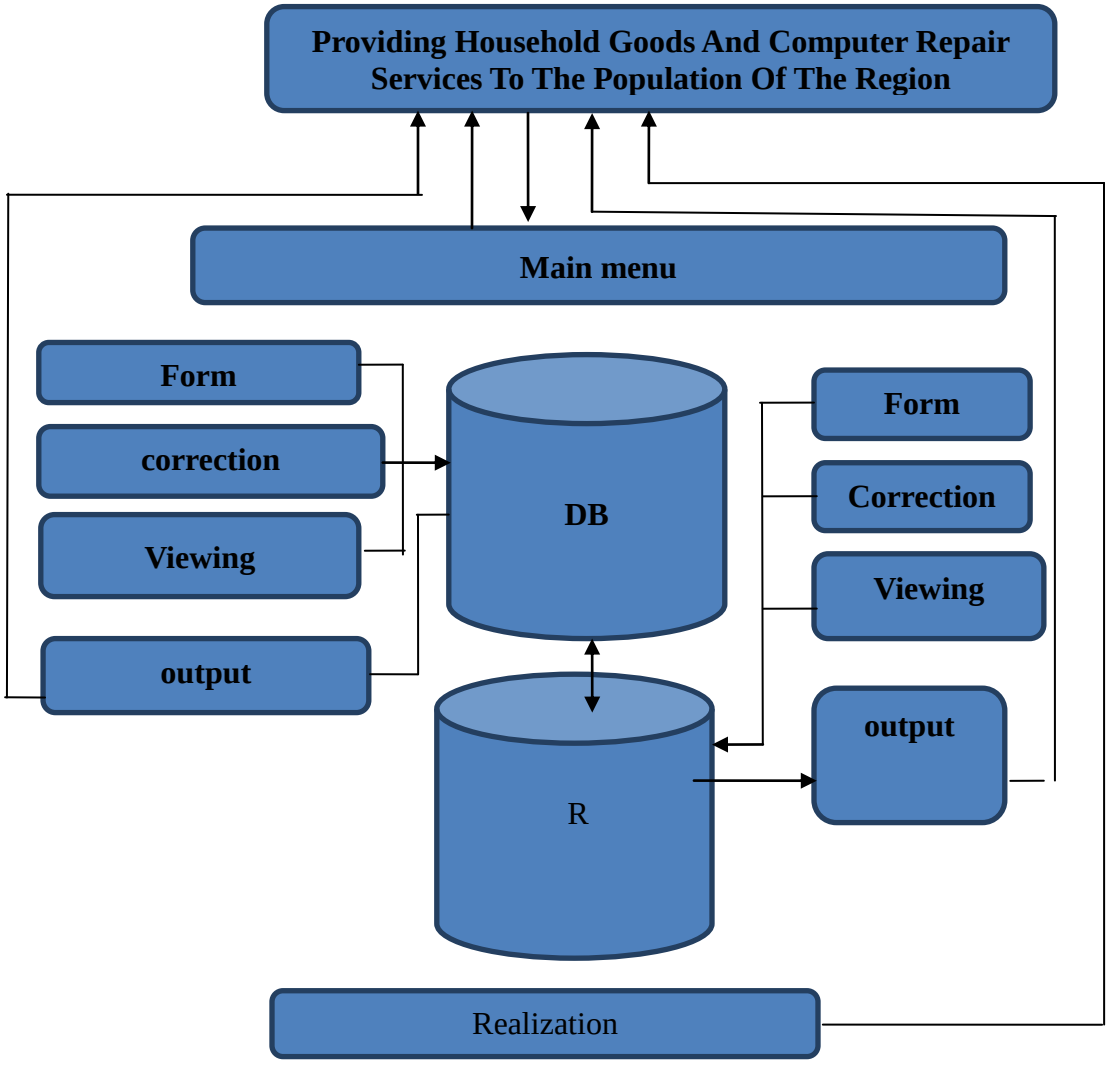
The mechanism of public service can be described graphically. Of course, this creates many problems. The wide field is created for making experiments with the structure of the econometric model of public service sectors. We can determine the most optimal state of activity of service enterprises by changing several times the parameters of the model. We can experiment on electronic computing machines through this model and then we can apply it in life.

Experimenting on real objects can lead to many mistakes and huge costs. The service sectors will be studied and analyzed in detail in order to create a model. After the model is created, it can be obtained new information about processes of service sectorwith using it. Thus, the process of service sector becomes a continuous process.

A systematic methodology of complex problems in the field of services is developed on the basis of a systematic approach and general concepts. During the analysis, we take into account the internal and external environment of the service sectors. This means that it must be taken into account not only internal factors, but also external factors such as economic, geopolitical, social, demographic, environmental and other factors.

Each system of the service sector includes its own service elements, while at the same time it reflects the low-level subsystem elements. In other words, the elements of the service sector will be interconnected with different systems in many ways, without interfering with each other.

The systematic approach is expedient for each element of its structural structure in ensuring the completeness of the public service system.



The imitation model is constructed for each sector to predict the future state of the public service sector. The following tasks should be done in order to do this (Figure 2): forming database of service sector networks and factors which influence it; identifying the relationship between each service sector and the factors which influence it, the factors which influence it; developing a separate model for each service sector; examining developed models according to evaluation criteria; forming a database forecast on the basis of certain legitimacies of factors which influence forecasting through models which are considered significant; achieving outcome factors on the basis of databases and models.

In this case, special functions are reviewed, attention is paid to the algorithms of system operation. It is implied the properties which lead to the goal as function. In this case, performing functions of the system are evaluated on the basis of a functional approach. It creates opportunity to determine the activity of the system, to determine its status, to mark the management legitimacies of systems. An important aspect of this is considered appearing hierarchical subordination among these parts and reflecting it in the relative independence of these parts. This will help the population to develop an integrated systematic imitation model of all elements of its service sector on the basis of a single system.

Besides, only approximate expressions of the connections can be written using the formula. Because the number of factors which influence the living conditions of the population is so large, it is impossible to determine a complete list of them and write an equation which fully represents the connection with influencing outcome sign.

The development of the living conditions of the population is considered so incompletely connection, that different values of the results of the factor which influence it in the different time and space, correspond to each value of the factors. Hence, the total number of influencing factors will be unknown. It is expedient to study such a dependence through correlation connections.

We selected information which belong to the reporting years 2004 - 2018, these information identified the areas of service and the factors which influence them, on the basis of certain signs (Table 1).

In this case, the factors which influence the development of each service sector are separately divided in the modeling. Therefore, we took the development of some service sectors as a factor which influences to other service sectors. The impact of influencing factors affects service sectors in different degrees. Selected factors may be involved in modeling once or more. Because we consider one factor as the main factor which influences each service sector, and we can consider another factor as the main factor which influences only one service sector.

TABLE 1 PROVIDING HOUSEHOLD GOODS AND COMPUTER REPAIR SERVICES TO THE POPULATION OF THE REGION

MK_x – providing household goods and computer repair services to the population of the region (in billion soums)	Y_{11}
A_d– total income of the population of region (in billion soums)	X1
$T_{o'x}$–providing education services to the population of the region (in billion soums)	X2
SS_x –providing health care services to the population of the region (in billion soums)	X3

For example, if the total income of the population of the region becomes factor which influences all service sectors, the expenditures for the regional health care will be considered the factor which only influences the development of the health care sector for the population of this region.

We created the following functional view on the basis of the service sectors in Table 1 and the factors which influence them .

$$MK_x = \varphi_{11}(A_d, SS_x, T_{o'x}) + \varepsilon_{11}$$

MK_x –providing household goods and computer repair services to the population of the region

We used statistical data from 2004 to 2018 to create multi-factoral empirical models through the service sectors for the population of Kashkadarya region and the factors which influence them.

TABLE 2 PROVIDING HOUSEHOLD GOODS AND COMPUTER REPAIR SERVICES TO THE POPULATION OF THE REGION

MK_x-Providing Household Goods And Computer Repair Services To The Population Of The Region **Y_1**	A_d- total incomeof the population of region (in billion soums) **X_1**	SS_x-providing health care services to the population of the region (in billion soums) **X2**	$T_{o'x}$–providing education services to the population of the region (in billion soums) X3
4.7	541.7	2.4	3.9
6.1	653.5	3.7	7.8
7.6	850.3	4.3	11.9
11.2	1068	5.4	15.2
20.7	1376.6	7.9	18.9
30.8	1803.4	13.6	32.3
48.4	2380.4	16.4	39.3
60.6	2692.1	13.1	38.9
61.8	3186	14.8	46.2
92.3	3723.5	26.9	69.6
135.4	4304.4	28.2	89.8
185.3	4928.9	39.5	106.5
216.4	5597.1	45.8	131.1
226.5	6308.6	54.4	163.9
256.5	7063.8	75.0	227.8

The correlation matrix among the factors which influence the development of each sector of the service sector in Kashkadarya region, was calculated in the program Eviews 9. For example, we have selected the number of teachers per thousand students in the region, the total expenditures of improving the living standards of the population of the region, the expenditures for public education in the region and providing household goods and computer repair services to the population of the region as factors which influence modeling quality education services. We carry out an autocorrelation analysis in order to determine if there is not multicollenity among these factors (Table 3).

TABLE 3

Covariance				
	Y1	X1	X2	X3
Y1	1.798052			
Correlation	1.000000			
SSCP	26.97079			
t- Student criteria	-----			
Probability	-----			
X1	1.090232	0.665279		
Correlation	0.996818	1.000000		
SSCP	16.35348	9.979188		
t- Student criteria	45.08898	-----		

Probability	0.0000	-----		
X2	1.346702	0.818887	1.036137	
Correlation	0.986647	0.986310	1.000000	
SSCP	20.20053	12.28331	15.54206	
t- Student criteria	21.84139	21.56547	-----	
Probability	0.0000	0.0000	-----	
X3	1.505256	0.920359	1.152079	1.297615
Correlation	0.985454	0.990564	0.993575	1.000000
SSCP	22.57883	13.80539	17.28118	19.46422
t- Student criteria	20.90748	26.06002	31.65354	-----
Probability	0.0000	0.0000	0.0000	-----

All above-mentioned factors are taken in order to create a multi-factorial empirical model on the factors which influence the development of each sector of the public service sector, and it is examined how their importance are in the model.

It is expedient to use a linear and hierarchical multi-factorial econometric model on the basis of its evaluation criteria according to its condition for each sector of the service sector.

In order to have multi-factorial empirical models of the processes, several options were calculated in the E views 9 program and appropriate results were obtained. For example, builds an empirical model for providing quality educational services to the population of the region is built in table 6 and it is shown their importance using criteria in the evaluation of this model and its parameters.

If there is not autocorrelation in the residuals of the outcome factor, then the value of the calculated DW criterion will be around 2.

TABLE 4 BUILD AN EMPIRICAL MODEL TO PROVIDE EDUCATIONAL SERVICES TO THE POPULATION OF THE REGION

Method: the least squares method				
Variable	Model coefficients	Standard errors	t-student criteria	P-value
X1	1.732117	0.230779	7.505524	0.0000
X2	0.545224	0.223934	2.434760	0.0331
X3	-0.552596	0.240770	-2.295124	0.0424
C	-9.051027	1.215229	-7.448003	0.0000
R – determination coefficient	0.886004	The average value of the dependent variable		3.824501
Flattened R – determination coefficient	0.874914	The standard deviation of the dependent variable		1.387979
Standard error of regression	0.098984	Akayke's information model		-1.564530
The sum of the squares of the remains	0.107777	Schwartz's information model		-1.375717
The value of the	15.73398	Hannan-Quinn criter.		-1.566542

maximum similarity function			
F–Fisher criteria	913.9023	DW-Darwin-Watson criteria	1.742559
Prob(F-Fisher criteria)	0.000000		

It was determined that the value of the DW criterion which were calculated the empirical models which were constructed for each sector of the service sector was higher than the table value. This indicates that there is not autocorrelation in the residues of outcome factor. The Fisher and Student criteria were calculated and the calculated value was compared with the table values, the magnitude of it was determined that they were higher than the table values.

The parameters which were taken into account in the models which were built for each service sector (for linear regression equations) consist of different indicators. Therefore, it is necessary to calculate the coefficients of elasticity in the analysis. For example, we calculated the coefficients of elasticity in the analysis of the model built for the sector of communication and information services to the population of the volume of providing household goods and computer repair services (MK_x) will increase by 1,13 times in 2020 compared to 2019, and by 1,85 times by 2025;

IV. CONCLUSIONS

It is expedient to pay essential attention to the innovation factor for the sustainable development of the service sector for the population of the region in the future. It is necessary to encourage innovative ideas and newly opened service sectors, to encourage the factors which create conditions for the development of high-quality service sectors for developing and organizing service sectors on the basis of innovation in the region.

It is expedient to separate econometric modeling of each service sector. Because development of each sector of the service sector has a positive impact on development of another sector. Therefore, the use of econometric models in the form of interconnected equations system has particular importance in development of service sectors. Together with this, the organizational-economic mechanism of development of service sectors represents a hierarchical system of interconnected elements and groups (subjects, objects, principles, forms, methods and tools) at different levels, as well as their interrelationships, innovative infrastructure form relationships with market participants.

It is expedient to pay essential attention to the innovation factor for the sustainable development of the service sector for the population of the region in the future. It is necessary to encourage innovative ideas and newly opened service sectors, to encourage the factors which create conditions for the development of high-quality service sectors for developing and organizing service sectors on the basis of innovation in the region.

In the current situation, the service sector to the population offers a variety of additional services, the main content of these services composed of releasing the population from the anxieties in living conditions, improving the quality of services and achieving to live in meaningful daily life.

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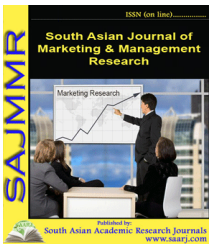

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THE GOLDEN OPPORTUNITIES OF THE SYSTEMS OF INTELLECTUAL SYSTEMS IN TERMS OF THE CONSTRUCTION OF "SMART CITIES"

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ABSTRACT

The issues of creating "Smart cities" on conditions of using systems of intellectual means of transportations. Moreover, here we can see data including innovational procedures in the application of the project called "Smart cities" , wise control over traffic in cities, the reduction in the number of traffic accidents, collection of data of digitalized roads, the methods which do not involve cables on the ground of the technological approach which is called "PowerCube500"

KEYWORDS: *"Smart Cities", Systems Of Intellectual Transports, Technologies, Innovative Procedures, Means Of Transport, Transport-Communications, Infrastructure, The Digital Network Of Highways, Intellectual System Of Controlling, Traffic Accidents.*

INTRODUCTION

The third priority area of the "Strategy of actions on five priority areas of development of the Republic of Uzbekistan for 2017-2021" sets specific tasks for the accelerated development of the service sector, active investment policy for the implementation of projects in transport and communications and social infrastructure, radical improvement of transport services given.

Today, new technologies are dramatically changing our lives. Roads have been providing people with trade, cultural, economic and political ties and entrepreneurship for centuries, and are as

important today as they were hundreds of years ago. No matter how smart the city is, if the road network is inefficient, not all of its components will be fully utilized. When roads are too inconvenient for traffic, city dwellers experience huge production losses every year due to congestion.

Solving these problems requires the use of "smart city" technology. It is advisable to organize the collection of data on the digital road network. The large number of moving parts creates a large amount of data and increases the need for software and hardware. There are also many issues that need to be addressed, ranging from effective management of traffic at the city level and reducing the number of traffic accidents (TAs), to preventing traffic violations.

MATERIALS AND METHODS

In this sense, Huawei's three-step approach to traffic management provides a more orderly flow of traffic. Sharp Eyes detects problems, Powerful Brain analyzes data, and Simplified Operations and Management ensures uninterrupted operation of the road network. This intelligent control system works successfully in many cities around the world as well as in the cities of our country this system is successfully implemented, combining all the proposals.

The Sharp Eyes system can turn any intersection into a checkpoint to monitor traffic and traffic violations. Cameras controlled by existing software support more than 20 algorithms and range from emergency road crossings to red lights. They are programmed to detect violations of traffic rules such as. Remote accurate detection exceeds 95%, traffic accident detection (TAD) detection is performed in eight seconds with the ability to go 200 in any weather and even in low and dazzling lighting conditions. TORS computing power optimizes image quality when required.

Sharp Eyes, as an autonomous system, also helps to monitor traffic violations in the city by monitoring and analyzing possible violations and recording fines if necessary.

Results

Powerful intelligent functional technology uses a large amount of data analysis tools to find relevant search engines, allowing you to identify the information you need in a matter of seconds among hundreds of millions of data records. Users can freely access more than 100 algorithms through the service’s multi-algorithmic data storage depot, which creates additional opportunities for increasingly complex solutions. It can serve as a security system for the police, thereby proposing a re-analysis of the images for remote monitoring of violations. This will further increase the effectiveness of the police's efforts to combat and prevent vehicle-related crime and control other types of crime.

The use of traffic control technology through the simplification of operations is also important in the formation of a smart city. Data collection and processing functions will be placed within the studied structures due to rapid flexible expansion. It is based on Huawei's Power Cube 500 technology. It does not require cabling in places. Huawei's e Sight operation and management technology will enable the management of more than 200,000 devices in cities, a smart area planning tool to increase the efficiency of expansion by 30%.

DISCUSSION

Roads have connected peoples and countries for centuries and therefore served as the mainstay of our societies in the development of trade relations and investment. Population growth and the

attractiveness of cities mean that road networks remain increasingly vital for a healthy society. This procedure requires a flexible, safe, and intelligent infrastructure that ensures safe and efficient flow of vehicles. He also said that it must be strong enough to respond to unforeseen events. The pandemic conditions have confirmed the need to adapt transport links to any unexpected changes.

Huawei's intelligent traffic management solution simplifies traffic management in cities. This allows cities to have the freedom and resources to develop other challenges and innovations. The network of intelligent roads is crucial for the well-being of the population living in the "smart city".

CONCLUSIONS

Based on the above all mentioned, in this article, the team of authors came to the following conclusions regarding the use of intelligent transport systems in the construction of "smart cities":

- Detection of violations of traffic rules and the environment on the basis of digitalization;

- Carrying out intellectual analysis, providing inspection and control of vehicles;

- It is necessary to ensure the release of toxic gases into the air due to the failure of vehicles, the system for detecting environmental damage not only at the entrance to the city, but also within the cities;

- Organization of data collection of digital road network;

- Solve some problems in the application of "smart city" technology;

- Consider the current issue expedient to address the issues of training and retraining of potential personnel in the field.

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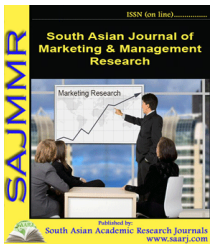

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CASH FLOW MANAGEMENT AT JOINT-STOCK COMPANIES IN THE CONTEXT OF DIGITALIZATION

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ABSTRACT

The purpose of this article is to consider the process of managing cash flows in joint-stock companies in the context of digitalization. Namely, the article considers the object and subjects of cash flow management, elements of the cash flow management system and factors that affect the volume and nature of the formation of cash flows. This article examines the assessment of cash flows of joint-stock companies, as well as their movement. The article reveals the principle of digital transformation of cash flow management in joint-stock companies, with a focus on the elements of digitalization of individual business processes.

KEYWORDS: *Cash Flow, Positive Cash Flow, Management, Funds, Budget, Analysis, Finance, Joint-Stock Companies, Digitalization.*

INTRODUCTION

Cash flow refers to the enterprise in a certain accounting period in accordance with the cash to cash basis, by certain economic activities include operating activities, investing activities, financing activities and non-recurring items and generate cash inflow, cash outflow and the total situation in General. Namely: Enterprise for a certain period cash and cash equivalents inflow and outflow of the number.

Cash flow management is a modern enterprise financial activities of an important function, establish and improve the cash flow management system is to ensure the company's survival and development, improve the market competitiveness of the important guarantee. The cash flow is divided into three categories: operating activities cash flows, investing activities cash flow and financing activities cash flow, cash flow management cash, not what we usually understand hand-held cash.

The main elements of the cash flow management system at the enterprise are: financial methods and tools, regulatory, information and software. The factors that affect the cash flow are divided

into: external and internal. External factors include the commodity and stock market conditions, the practice of crediting suppliers and buyers of products, the taxation system of enterprises, and other factors. Internal factors include: the life cycle of the enterprise, the duration of the operating cycle, the seasonality of production and sales of products, the depreciation policy of the enterprise and other internal factors.

MATERIALS AND METHODS

As special research methodologies used: comparative, logical analytical, economic, system-structural methods.

Economists use direct and indirect methods to calculate and analyze cash flows. These methods can be used individually or in combination. They complement each other and help to create a complete objective picture of the cash flow.

RESULTS

The direct method works with the figures obtained using the current accounting of cash flows on the company's accounts. The total revenue from the sale of goods (works, services) is taken as a basis. Features of the method:

1) Reflects the direction of spending resources and the sources of them occurrence;

2) Identifies the level of solvency of the company;

3) Establishes the correlation of product sales and profit for the reporting period;

4) Identifies the main items of expenses and profits;

5) Helps to make forecasts of upcoming cash flows using the information received;

6) Is a tool for controlling negative and positive cash flows, due to their relationship with accounting registers;

7) Facilitates the assessment of the future liquidity of the company, helps to determine its solvency in the near future.

The direct method is also commonly called the top method, since the analysis is performed as if from top to bottom using the profit and loss statement. This method has its drawbacks. With its help, it is quite difficult to determine the relationship of cash flows with the financial results obtained. That's why analysts prefer to supplement it with an indirect method.

The indirect method allows you to analyze the cash flow system by type of activity on the basis of summary reports. The method is based on the study of net profit for a specific type of activity. Cash flow is calculated from this indicator, taking into account adjustments to increase or decrease.

Features of the method:

1) Reflects the relationship between profit and cash flow (you can track where the funds are invested and what they brought the result);

2) Shows the correlation of own working capital and financial results in the course of operational management;

3) Marks problematic niches in the company's activities (for example, unused resources), which means that it makes it easier to get out of crisis situations;

4) Allows you to find out the amount of money received, its sources and the main directions of spending;

5) Identifies the availability of a cash reserve and the ability to companies ensure that cash receipts prevail over spending;

6) Allows you to determine the company's ability to repay short-term liabilities through receivables;

7) Indicates that the net profit received by the enterprise is sufficient to cover the needs that it currently has.

Thus, the formation of cash flows is influenced by both external and internal factors. This influence should be taken into account in the management of the enterprise. In order for the process of cash flow management (UDP) to give the best results, it should be made systematic. To this end, many companies build a whole management methodology, which is the management of a step-by-step process.

DISCUSSION

The national Economy of Joint-stock Companies of Uzbekistan is implementing systematic measures to further strengthen their positions and their effective development. The action strategy for 2017-2021 includes five priorities for the development of the Republic of Uzbekistan in the years of high levels in the economy in the direction of achieving " the introduction of modern standards and methods of corporate governance, increasing the role of shareholders in the strategic management of enterprises".

Accordingly, among the tasks set in order to deepen structural transformations, increase its competitiveness by modernizing and diversifying the leading sectors of the national economy, special attention is paid to the use of international management methods in joint-stock companies, the participation of shareholders at various levels in the strategic management of enterprises.

The joint stock company can raise a large amount of capital by issuing shares and debentures to the public. There is no limit to the number of shareholders in a company. (However, in a private company the membership cannot exceed 50.) The capital of the company is divided into numerous parts of small value called shares and this attracts even the person with limited resources.

Further, anyone can purchase the shares and leave the responsibility of management to the body of persons called directors. Again, as the shares are freely transferred by selling it in the stock market, this works as an added attraction to the investors. Because of this, the joint stock form of organization is well adopted for raising amounts of capital.

In the context of quarantine restrictions, automation and digitalization of business management, personnel management, as well as the most important part of the organization, cash flow management is becoming more and more necessary compared to the past years. A key factor in minimizing losses in all aspects. Thus, companies that have implemented the transformation of cash flow management, in the conditions of quarantine measures, are now able to provide an acceptable level and productivity were able to maintain a position in the market. As a result, despite the high level of popularity of the digitalization trend in business, the demand and relevance of effective measures for digital transformation is increasing.

Managing the organization's finances has become a key task in the post-COVID-19 context of the global financial crisis. Naturally, in this situation, it is necessary to review the organization and the principles of financial management.

As a basis for centralizing the management of financial flows, the corporation should use innovative approaches not only to management, but also to automation. To date, in practice, there are three options for structuring financial management using modern technologies:

1) joint service centers;

2) intra-corporate banks;

3) payment centers.

Effective internal control is closely linked to the future development of the business, and cash flow is the key to the survival or demise of the business. Cash flow management can improve financial management, optimize the use of funds to increase the competitiveness of enterprises, contribute to the sustainable development of business in the future. The system of internal control over cash flows is established in three main areas: first, the system of division of responsibilities, second, credit control, and third, the approval system.

CONCLUSION

In the context of digitalization, the financial management models of joint-stock companies are based on automation. To improve the effectiveness of management at the international level, today we cannot do without information technology. They allow not only to avoid the risk of the human factor, but also to reduce the costs of companies that arise during the implementation of settlements. Moreover, the use of information technologies significantly increases the effectiveness of financial control.

In the context of the transition to automation of cash flow management, it is important to consider all the details from A to B. For example, the transition to automation offers the following advantages for joint-stock companies in addition to the management of the business as a whole:

- open up the possibility of using more profitable financing instruments;

- Significantly reduce the costs;

- increase the degree of transparency and predictability of financial flows;

- Efficiency of the financial flow planning and control system;

- ensuring control of budget limits, ease of execution control;

- control the financial resources of the corporation and their expenditure.

Within the framework of cash flow analysis, the main part is occupied by the analysis of cash flows for various types of activities, and the main source of information for the analysis of the company's cash flow is the company's accounting statements. Despite the relevance and popularity of digitalization, the main mistake in the transformation of the company is the substitution of the concepts of "digitalization" and "modernization of equipment".

There is a phrase like: "If you want to understand something and manage it effectively, you must first measure it." In the cash flow world, this means keeping track of your current cash balance

and predicting all the money you expect and everything you need to repay over the next few weeks and months.

Fortunately, it is not difficult to track cash flows. This is very similar to what you do with your personal finances every month. You determine when your paycheck arrives and when your credit card payment is due, and ensure that you have enough money at all times. Business accounts tend to be more complex and cash flows can be more unpredictable, but the basic principle is the same.

There are also tools to help with these tasks. Small business accounting software like QuickBooks has built-in cash flow forecasts, or you can use dedicated cash flow management apps like Pulse, Float, or Plan Guru. If you don't want to invest in dedicated software, an Excel spreadsheet does as well. Microsoft Excel has added a cash flow forecast template in all versions since 2007.

Cash flow management is an important function of the financial activity of a modern enterprise, creating a full-fledged cash flow management system, ensuring the survival and development of the enterprise, increasing the competitiveness of the enterprise in the market.

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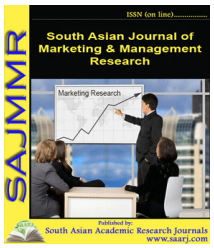

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IMPROVING LOGISTICS MANAGEMENT IN INTERNATIONAL CARGO TRANSPORTATION

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ABSTRACT

Improving the logistics potential for success in corporate and network practice requires, among other things, excellent logistics and management competence in the phase subsystems of logistics. This article discusses the distribution logistics subsystem, where planning problems, decision concepts, and strategies come to the fore, in particular. The efficiency of logistics is an important factor affecting the competitiveness of a country, as well as firms. Low performance is an obstacle to trade and foreign direct investment, and hence to economic growth. This article presents the methods and system of improving logistics management in international cargo transportation to fill the gap in the existing research on improving logistics services.

KEYWORDS: *Management, Logistics, International Logistics, Transport Logistics, International Market, Transport, Logistics Services.*

INTRODUCTION

Transport is an essential part of the logistics infrastructure. Its stable and efficient functioning creates favorable conditions for stabilization, structural adjustment and economic recovery, and for increasing the living conditions and living standards of the population. In the conditions of economic stabilization of the country, the demand for the volume and quality of transport services is growing, and the development of logistics ensures the satisfaction of these needs.

The technological process of cargo delivery consists of the following sequence transportation operations: movement of goods from shippers to their receipt by the consumer, storage of goods in intermediate warehouses, packaging, marking of cargo packages, collection and division of supplies, etc. To ensure delivery to the consumer, it is necessary to choose the method of transportation, delivery technologies, and route. Cargo transportation can be carried out by the company's own transport, interested in the delivery of goods, or with the involvement of logistics

intermediaries who perform all or individual transportation operations, so one of the logistics companies. The procedure for selecting the method of transportation and modes of transport is the choice of logistics intermediaries.

The relevance of the research work is due to the potential for improving the efficiency of the functioning of cargo transportation methods through planning and management.

The essence of international logistics concerns the relations of enterprises within the economic systems of different countries. They play a major role in the internationalization of enterprises. The dynamic development of internationalization processes in recent decades shows that international logistics is one of the most important aspects of economic management. It is becoming a determining factor in global economic development. At the same time, special attention is paid to the methods of managing international logistics. The development of these methods and their implementation in large transport corporations, with the support of significant investments, and this, in addition to technical development, political and socio-economic changes, are a stimulus for the emergence of a single market – a global market.

Logistics management on an international scale is carried out in accordance with the scheme shown in Figure 1.

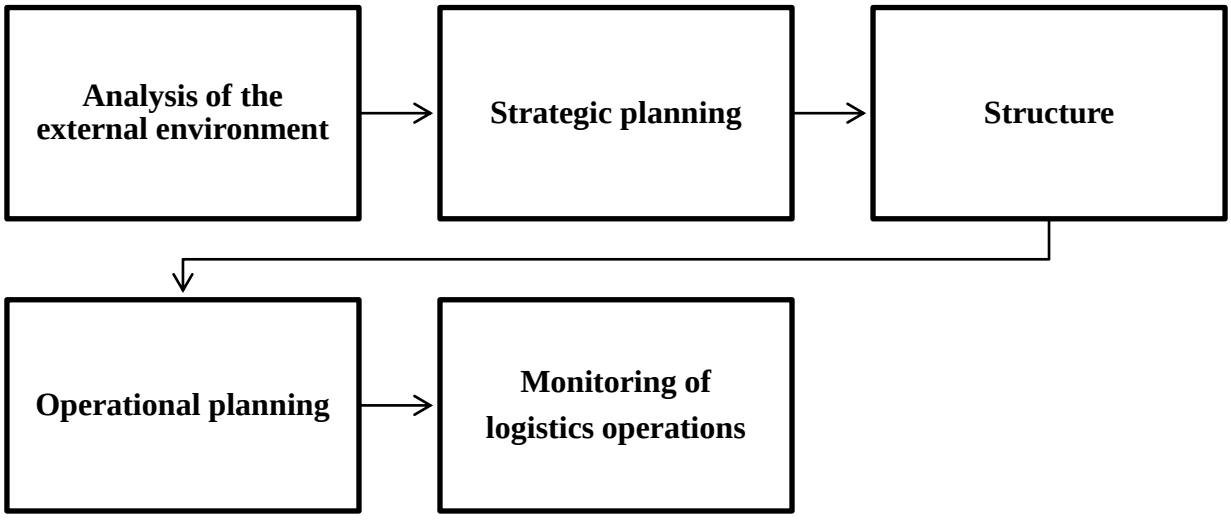

Figure 1 – Scheme of the Department of international logistics transportation of goods.

In order for the main logistics processes to be carried out efficiently and efficiently and to receive monetary benefits from customers, it is necessary to manage the processes and the necessary structures for this. The system shown in the figure provides a basic introduction to logistics management and provides an overview of the relevant dimensions. This includes, first, the design of the target system of logistics. This provides a fundamental reference framework for logistics decision processes.

Logistics refers to the process of planning, implementing and controlling the efficient flow of products, information and funds according to customer needs. Transportation is the core of logistics. So, that the flow of goods between different nodes in the supply chain. Logistics includes the storage of raw materials, work-in-progress and finished products to and a variety of Value-Added Services.

To achieve the efficiency and effectiveness of logistics need to have the following points:

- Improved efficiency of various modes of transport;
- Coordination and seamless integration of different modes of transport;
- Supply chain management functions (including Demand Management, Supply Management,manufacturing,warehousing,transportation,distribution and Value-Added Services);
- Effective integration: Enhanced collaboration between supply chain partners (e.g. suppliers, manufacturers, distributors and end users).

Logistics performance should be measured from the perspective of users and society, respectively. From a microscopic point of view, the focus of measurement is on individual users (including the system Manufacturers, distributors and other commercial enterprises) satisfaction. From a macro perspective, the focus of measurement is on the economic and social development of the country and to meet public needs.

Individual users are concerned about logistics costs, efficiency and quality of service(including Transport Safety, Transport time and reliability), they want for logistics enterprises to reduce costs, improve efficiency and quality of Service. However, from a macroeconomic and social level, logistics is not just about to achieve economic benefits, it should also reduce external costs (such as security risks and pollution), save energy and optimize the use of national resources.

The main feature of international logistics is mainly in the process of transporting cargo from its creator to the end user. Thus, before carrying out the transportation of goods from one state to another, the cargo itself will have to pass a large number of customs procedures and checks, both at the border of a foreign state and its own producer state. International transportation is carried out by various modes of transport, such as:

- Sea transport
- Water transport
- Railway transport
- Road transport
- Air transport
- Pipeline transport

The main goals of international logistics:

1) Timely and safe movement of cargo from one country to another
2) Saving financial costs and time when transporting goods to their final consumer as a whole.

The main components of international logistics are such elements as:

- Transport systems
- Warehouses for temporary storage of goods
- Order picking systems

The commission system is a complex of operations for the preparation, selection and sorting of goods, and their delivery in accordance with the requirements of the client, the customer.

CONCLUSION

Improving transport logistics when entering the international market plays a huge role in the development of logistics. At present, modern logistics is greatly influenced by the processes of globalization and internationalization. Today, in the context of the rapidly developing process of economic globalization, the issues of transportation management are of great importance. The development of the integration of the world economy and the globalization of business contribute to the creation of international logistics systems and global supply chains.

In the world practice, there are many different methodologies for organizing and managing logistics, which are constantly being improved. Over the entire period of the development of humanity and the relations between it, logistics has developed. In recent years, it has evolved greatly due to the progress of IT technologies, which has increased the quality and speed of operations within companies and customer service. Transport is one of the most important components of the material base of the economy, which plays an extremely important role in the development of the economy of any state, since the implementation of cargo transportation in accordance with the needs of production ensures the normal functioning and development of industries, regions and enterprises.

The sale of transport services or their purchase on the world market means the participation of transport in invisible export or import operations. Unlike the products of other branches of the national economy, the products of transport do not have a material form, but are material in nature, since material resources are spent in the process of movement. Recently, in connection with the development of integration processes around the world, in connection with the strengthening of economic and trade relations, the development of international transport and, accordingly, the issues of their state regulation have become increasingly important. Thus, the relevance of this topic is obvious.

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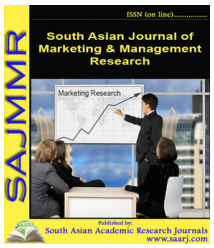

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THE USE OF DIGITAL TECHNOLOGIES IN THE FINANCIAL, BANKING AND TAX SPHERES OF UZBEKISTAN

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ABSTRACT

The development of digitalization implies the existence of conditions and environments created by the state for the introduction of information technologies in various segments of the economy. It also depends on the policies adopted and implemented at the national, regional and international levels. Uzbekistan has officially embarked on the development of digital banking. In January 2018, the law first introduced the term "digital bank" and spelled out the need for the development of remote banking services. Thus, the State program adopted within the framework of the Year of Development of Science, Education and the Digital Economy provides for the development of the strategy "Digital Uzbekistan - 2030 " this year.

KEYWORDS: *Digitalization, Innovation, Tax, Banking, QR Tickets.*

INTRODUCTION

Digitalization of the economy is a new stage of development, implemented through the development and implementation of innovative digital technologies, such as blockchain technology, digital platforms, digital data, "big data", cloud technologies and others. Also, the formation of appropriate legal, socio-economic, organizational and other conditions for the transformation of society and the economy are important for achieving a new level of development.

As a result of the emergence, rapid development and extensive spread of electronic computing systems, information technologies and the Internet, the digital economy was born. Today, in many developed countries, digital transformation is being carried out in all industries, legislative acts and programs that stimulate the development of the digital economy are being developed and approved.

The growth of the digital economy contributes to the emergence of many new economic opportunities. Digital data can help improve economic and social performance, promote

innovation, and increase productivity. Digital platforms simplify operations, the formation of networks and the exchange of information. The proliferation of platforms is driving the digital economy. Over the past decade, many digital platforms have emerged around the world that use data-driven business models and transform existing industries. Seven of the eight largest companies in the world by market capitalization use platform business models, which demonstrates their importance. The transformation of all spheres under the influence of digitalization can contribute to improving the quality of goods and services while reducing costs, which will lead to the creation of new innovative models of the economy.

In Uzbekistan, the issue of the digital sector of the national economy has risen to the state level, and large-scale measures are being implemented in this direction. The basis of these reforms was the adoption of the Decree of the President of the Republic of Uzbekistan "On the State program on implementation of the action Strategy on five priority directions of development of Uzbekistan in 2017-2021 years", the main focus of which is the formation of an innovative model of development of Uzbekistan's economy.

On February 19, 2018, the decree of the President of the Republic of Uzbekistan "On measures for further improvement of the sphere of information technologies and communications" was adopted, which is an important step towards the formation, implementation and development of digital technologies.

Identified as priorities issues the wide and effective implementation of digital economy and information security in the country on the basis of the decree of the President of the Republic of Uzbekistan dated July 3, 2018 "On measures for digital Economics development in the Republic of Uzbekistan", the decree of the President of the Republic of Uzbekistan №PD-5598 December 13, 2018 "On additional measures for the implementation of the digital economy, e-government and information systems in the public administration of the Republic of Uzbekistan" and other regulatory legal acts.

The above-mentioned documents adopted by the head of state provide an opportunity for a big breakthrough in the formation and development of digital technologies in our country. The work carried out over the previous years by the leadership of Uzbekistan on the widespread introduction and development of information and communication technologies is already bearing fruit. An example of this is the reforms observed in the country's banking sector.

In recent years, the development of digital technologies in the field of the Internet and mobile platforms has led to changes in the preferences of the bank's customers and their decision-making model:

Mobile banking is a service that allows you to control and manage your accounts anywhere via a mobile phone without using cash. This innovative system provides the following features:: track the status of your accounts, loans, and deposits;

- make payments and transfers to various suppliers without commissions
- services — housing and communal services, mobile operators, landline telephone services, Internet service providers, cable and digital television, etc.; make purchases in online stores directly from your mobile device.
- bank account; make transfers between your accounts;
- repay loans, top up deposits and accounts;

- receive statements about transactions carried out on the card;
- Promptly receive information about the receipt of funds to the accounts.
- payment of fines GUBD
- payment for the services of the registry office
- the services of a notary
- online deposits
- online conversion rate
- payment for a biometric passport
- money conversion of amounts of different currencies

Also, during the quarantine caused by the coronavirus pandemic, the banking sector, like other areas, improved its capabilities in providing remote services to citizens. Services were launched: online ordering of plastic cards with delivery and online car loans, which helps to meet the needs of citizens in self-isolation and will protect them from infection with the virus.

In the course of implementing the law "On Payments and Payment Systems", the Central Bank of Russia, together with commercial banks, launched a universal standardized payment service" QR-online", based on a QR code. Within the framework of this system, trade and service enterprises (shops, cafes, etc.) generate and register a QR code. Buyers pay by scanning the seller's QR code and entering the amount in the supplier's mobile app. Money is withdrawn from bank card accounts and e-wallets linked to the app.

"Unlike alternative services, the system is developed in accordance with international standards and works in conjunction with the clearing system of the Central Bank," the Central Bank notes.

The regulator expects that the new service of banks will be in demand by organizations working in the areas of delivery of goods and transportation of passengers, because it allows you to accept payments without terminals.

Now the banks have provided more than 3 thousand rubles to trade and service enterprises. QR tickers.

The development of the payment system, including the organization of interaction of information systems of banks in the provision of remote banking services that allow managing accounts and conducting banking operations in real time, is indicated as a priority direction for the development of the banking sector in Uzbekistan.

Uzbekistan has officially embarked on the development of digital banking. In January 2018, the law first introduced the term "digital bank" and spelled out the need for the development of remote banking services. The digital bank is a representative of a new generation of banks, where all transactions are carried out remotely in a digital format. The emergence of such banks in the Republic of Uzbekistan will be a major step towards the development of the digital economy in our country.

Recently, consistent measures have been taken to develop the digital economy, and electronic document management systems have been gradually introduced in government, including tax authorities, and e-commerce to serve individuals and legal entities. At the same time, the analysis of the actual state of affairs indicates the fragmentation of the implemented software products, which is due to the lack of a single information technology platform that provides integration into a centralized data system.

In order to create conditions for the accelerated development of the digital economy, further improvement of the public administration system, increase its accessibility, and use of modern infrastructure, the Digital Trust Fund was established in the form of a state institution, one of the main tasks of which is to attract and consolidate investors ' funds for the implementation of projects in the field of digital economy development, including the introduction of blockchain technologies.».

An example of the use of digital technologies in the tax system is the recent transition to the use of online cash registers of a supermarket chain Korzinka.uz. This is a data exchange platform through which it is possible to transmit online to the state tax service authorities data on settlements with the population through retail outlets in cash and via bank cards. The reason for this transition is the reliability of the service, which:

* increases the level of consumer protection — an electronic receipt is stored in the database, which makes it easier to resolve disputes;

* provides operational interaction with the tax authorities - the transfer of personal data takes place in real time;

* provides an opportunity to work transparently, without hiding the turnover from the fiscal authorities.

The introduction of such advanced tools in the tax field as electronic invoices, virtual cash registers and online cash terminals shows progress in the automation and digitalization of this industry.

In his Address to the Oliy Majlis in January this year, the head of our state identified the widespread introduction of digital technologies in all spheres of the country's socio-economic life as a priority task. Thus, the State program adopted within the framework of the Year of Development of Science, Education and the Digital Economy provides for the development of the strategy “Digital Uzbekistan - 2030 " this year.

"We must work closely on the development of the digital economy. It is clear that this requires a lot of work and money, but no matter how hard it will be when we do it, if not now, " the president said.

Today, the digital economy provides up to 15.5 percent of the world's gross domestic product. Over the past 15 years, the digital economy has grown 2.5 times faster than global GDP.

In our country, it is planned to double the volume of gross domestic product. The mechanisms of the digital economy play an important role in achieving this goal.

The President noted that the development of the digital economy will be one of the main tasks not only in 2020, but also in the next five years. In such conditions, our country may well become one of the leading countries in 2020, where digitalization is a symbol not only of economic success, but also of the development of society as a whole.

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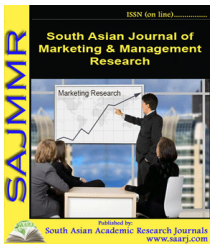

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MANAGING CHANGES IN THE STRUCTURE OF EMPLOYMENT IN THE REGIONS OF UZBEKISTAN

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ABSTRACT

The article highlights the importance of structural transformation in increasing the employment rate in the regions of Uzbekistan, analyzes the trends and features of this process.The rate of transformation in the regional labor market was determined using transformation indices. Calculations of the transformation indices were carried out for the republic and 14 territorial units for 2010-2018. The fact that indices are small in all regions indicates that the process of structural transformation is slow in Uzbekistan. Analysis of the relationship between transformation and unemployment rate shows that the inverse proportionality is fully expressed in some regions and partially in others. The positive and negative aspects of transformation in the long-term perspective have been studied and relevant proposals have been developed for the regions. According to the analysis of the regional labor markets, it can be seen that regions where non-traditional and innovative methods are widely introduced in the agricultural sector, and regions with deep specialization and a developed processing industry have an advantage over others.

KEYWORDS: *Innovative Economy; Employment; Structural Transformation;Administrative-Economic Region; Gross Domestic Product; Labor Productivity.*

***Jel Codes*:**E24, J4, O47

INTRODUCTION

Today, the information revolution and as a result of it, the establishment of labor through the introduction of information technologies into the production process, the emergence of new, science-based sectors of the economy intensify the process of transformation in the economy, while globalisation and economic integration give additional impetus to it.The issue of structural transformation plays an important role in the conditions of innovative economic development.Indeed, under these conditions, the places of thousands of workers performing the

same repetitive work are occupied by enterprising, inventive, educated and even individual workers in modern sectors of the economy.

The extremely high importance of Employment Relations in the economic and social development of society, the scale of globalization and informatization processes, the formation of "innovative economy", which radically changes the economic foundations of the population, including individual and social production, determines the relevance of the topic.

LITERATURE REVIEW

Transformation processes in socio-economic systems have been studied by various economic and social schools and scientific directions.J. Gelbright (2001), D. Bell (1973), and E. Toffler (1981) developed the theory of building a post-industrial society, while A. Lewis (1954), Mr. Ranis, and J. Fay (1961) studied the achievement of economic development through structural changes in the economy.

The research of scientists from the CIS countries covers such topics as aspects of employment transformation in the transition period of the economy(Барилко, 2002; Корнаи, 1994), its relation to the business cycle frequencies(Ваховский, 2016;Глазьев, 1993), innovative forms of employment that arise as a result of transformation(Сковоронских,1997; Баранова, 2006).

In recent years, in Uzbekistan the issue of employment in innovative economy has been the focus of attention of scientific discussions.Uzbek scientistsareconductinga number of scientific researches on modern trends of the labor market in the conditions of innovative economy(Abdurakhmanov, 2019), improvement of the social protection system in the management of social and economic processes by the state, formation and development of the principles of social partnership(Зокирова,2015; Умурзаков, 2016), non-standard forms of employment as a result of transformation of social-Labor Relationsand Human Development under transformation process (Абдурахманов, 2018).

RESEARCH METHODOLOGY

The research used structural and comparative analysis, graphical method, economic-statistical method, as well as fundamental rules and conceptions presented in classical and modern works of local and foreign scientists.

To study the process of structural transformation, it is necessary to determine the indicators of the calculation of its quantitative measurements.Using the indices of structural changes in the analysis, we summarize the changes in the sectoral structure of the economy between two time intervals.In this case, we refer to the two indices used by Dietrich (2009). These indices are based on the sector share of economic variables and are therefore appropriate for considering structural changes.

“The first is the simplest measure of structural change, the Norm of Absolute Values (NAV)” (Singh and Orcan, 2010). This index is calculated using the following formula:

$$NAV_{s,t} = 0{,}5\sum_{i=1}^{n}\left|x_{i,s} - x_{i,t}\right| \qquad (1)$$

where $x_{i,s}$ and $x_{i,t}$ are the proportions of the numberemployeesin$i$ sector of economy in the total number of employed at time s and t .

NAV is in the range of zero and one, so it's pretty simple to interpret. This shows that structural change is exactly equal to the movement of the share of industries in the whole economy.If the structure remains unchanged, the index will be zero.If the change in all sectors is at its highest level – this means that the entire economy has completely changed, and the index will be equal to 1.

The second index for measuring the level of structural transformation is the modified Lilien index.

$$MLI_{s,t} = \sqrt{\sum_{i=1}^{n} x_{i,s} \cdot x_{i,t} \cdot \left(\ln \frac{x_{i,s}}{x_{i,t}} \right)^2} \qquad (2)$$

Source:Singh andOrcan, 2010.

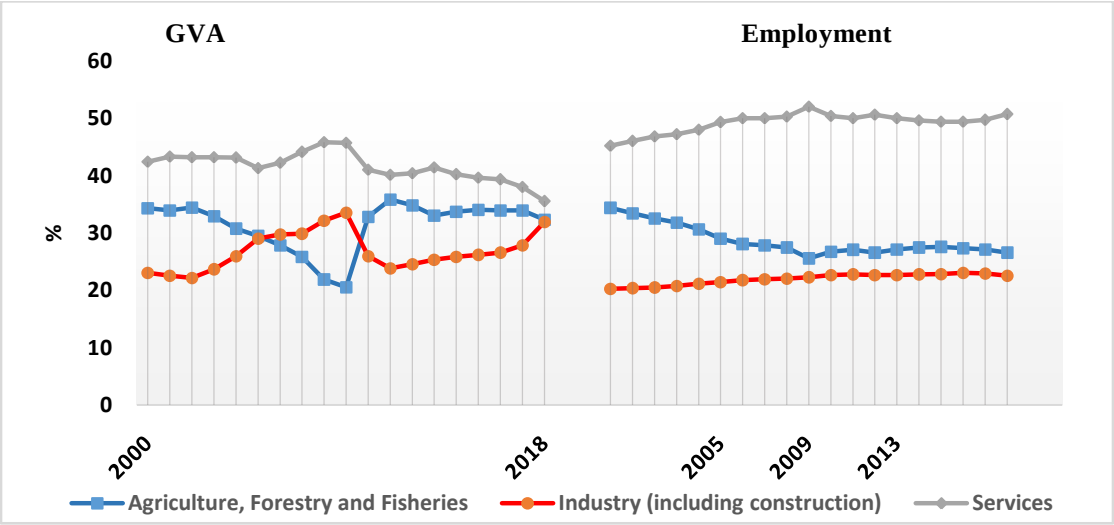
A low MLI means a slow rate of structural change in the economy, while a high one means a high rate of change.

The indicators of the distribution of the employed population by the main types of economic activity were used in the calculation of indices.They include the following 11 main types of economic activity: agriculture, forestry and fisheries; industry; construction; trade; transportation and storage; accommodation and meals; communication and information services; financial and insurance activities; education; health and social services; art, entertainment and recreation.Activities not included in the main types of economic activity were generalized as other sectors, and calculations were made on the basis of the number of employees in a total of 12 types of economic activity.

Analysis and results

Experience shows that an increase in production volumes will not be enough to improve the standard of living of the population.In modern conditions, an idea is widely accepted around the world that emphasizes that the transformation of an economy specializing mainly in agriculture into an urbanized, integrated and economy, in which enterprises have an advantage, is considered the essence of economic development and contributes to improving economic well-being.This case is reflected in the growing share of industry in the economies of developing countries.From the point of view of the labor market, the redistribution of the share of the employed population by types of economic activityis taking place in accordance with the structural changes in the economy.If we look at the economy of Uzbekistan, then the structural transformation of the economy and its impact on the labor market acquires a distinctive feature.

Figure 1. Changes in GDP and employment structure



Source: Compiled on the basis of data of the State Statistics Committee of the Republic of Uzbekistan.

In 2018, the share of industry (including construction) in GDP increased from 26.0% in 2010 to 32.0%.However, the share of employed people in this sector of the economy amounted to 22.7 % in 2010, by 2018 this indicator decreased by 0.1 percentage pointsand amounted to 22.6%.Figure 1 shows the changes in the gross value added (GVA) and the amount of people employed in these sectors.

As can be seen in Figure 1, a significant change in both structures occurred in 2010.This change is especially noticeable in the structure of the GDP. In that year, all sectors observed a change in the trend of movement.In particular, the industrial sector, which in 2006 surpassed agriculture, forestry and fisheries in terms of its share in GDP, deviated from the growth trend observed since 2002 and began to decline sharply in 2009.In response, the declining trend in agriculture, forestry and fisheries between 2002 and 2009 changed, and from 2009 their share in GDP began to increase.At first glance, this case suggests that 2010 was a year of radical changes in the economy. In my opinion, the main reason for this is the revision and clarification of the data by the State Statistics Committee for 2010-2018.There have been similar changes in labor statistics in reporting for these periods. Employment statistics for 1992-2009 was carried out by the sectors of economy. The data from2010has been revised recently, and it began to be calculated by types of economic activity. With this in mind, the analysis should be conducted separately for 1992-2009 and 2010-2018 in order to avoid erroneous conclusions.

Calculations of the transformation indices were carried out for the republic and 14 administrative economic regions (territorial units) for 2010-2018.Each index shows the level of structural changes relative to the previous year.The results are summarized in Table 1.Since the 2011 indices are calculated relative to 2010, there is no column for 2010 in the table.

TABLE 1. INDICES OF STRUCTURAL CHANGES BY TERRITORIAL UNITS OF UZBEKISTAN

Regions	**Indices**	**Years**							
		2011	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Republic of	NAV	0,006	0,011	0,007	0,005	0,004	0,005	0,004	0,014

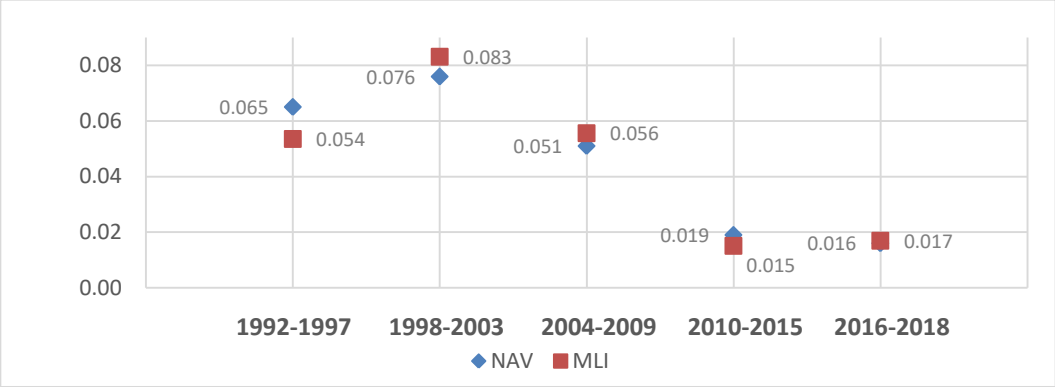
Uzbekistan	MLI	0,005	0,011	0,008	0,004	0,003	0,004	0,004	0,014
including									
The Republic of Karakalpakstan	NAV	0,012	0,004	0,012	0,006	0,008	0,004	0,005	0,069
	MLI	0,011	0,003	0,011	0,005	0,008	0,003	0,004	0,075
Andijan region	NAV	0,005	0,010	0,007	0,006	0,003	0,004	0,005	0,018
	MLI	0,005	0,011	0,007	0,005	0,003	0,003	0,006	0,014
Bukhara region	NAV	0,004	0,043	0,062	0,008	0,018	0,013	0,018	0,020
	MLI	0,003	0,056	0,082	0,009	0,019	0,014	0,021	0,019
Jizzakh region	NAV	0,006	0,011	0,009	0,011	0,006	0,011	0,017	0,044
	MLI	0,006	0,013	0,009	0,012	0,007	0,013	0,020	0,051
Kashkadaryaregion	NAV	0,007	0,007	0,016	0,006	0,013	0,015	0,011	0,040
	MLI	0,006	0,008	0,018	0,006	0,013	0,017	0,012	0,053
Navoiregion	NAV	0,015	0,011	0,008	0,009	0,014	0,010	0,004	0,020
	MLI	0,016	0,012	0,008	0,010	0,015	0,011	0,006	0,019
Namanganregion	NAV	0,008	0,015	0,010	0,013	0,012	0,009	0,015	0,028
	MLI	0,008	0,017	0,009	0,013	0,012	0,010	0,017	0,031
Samarkandregion	NAV	0,000	0,008	0,008	0,006	0,007	0,008	0,011	0,011
	MLI	0,000	0,009	0,008	0,005	0,006	0,008	0,012	0,008
Surkhandaryaregion	NAV	0,010	0,013	0,010	0,008	0,014	0,012	0,019	0,012
	MLI	0,010	0,015	0,011	0,008	0,016	0,014	0,022	0,011
Syrdarya region	NAV	0,010	0,007	0,020	0,015	0,016	0,010	0,006	0,041
	MLI	0,011	0,008	0,025	0,019	0,018	0,011	0,006	0,054
Tashkent region	NAV	0,005	0,023	0,006	0,008	0,011	0,012	0,010	0,014
	MLI	0,005	0,028	0,005	0,008	0,012	0,012	0,011	0,013
Fergana region	NAV	0,008	0,020	0,006	0,007	0,004	0,005	0,005	0,020
	MLI	0,007	0,023	0,005	0,006	0,003	0,004	0,004	0,022
Khorezmregion	NAV	0,006	0,009	0,013	0,011	0,005	0,008	0,011	0,011
	MLI	0,007	0,008	0,014	0,013	0,005	0,007	0,012	0,009
Tashkent city	NAV	0,015	0,015	0,014	0,017	0,017	0,018	0,005	0,014
	MLI	0,016	0,015	0,015	0,019	0,019	0,020	0,006	0,011

Source: Author's calculations.

Table 1 shows that for all regions of the country, large differences in the values of these two indices are rare.The largest difference can be observed in the indices of Bukhara region in 2013.That year, NAV was 0.062 and MLI was 0.082.This value of MLI is the largest in the country during the analyzed period.The largest value of the NAV index was recorded in the Republic of Karakalpakstan (0,069) in 2018.The lowest value of the indices was recorded in 2011 in Samarkand region (the value of both indiceswas 0.0), which means that no structural changes occurred in 2010-2011.

The fact that indices are small in all 14 regions indicates that the process of structural transformation is slow in Uzbekistan.Given the gradual implementation of reforms in the transition to a market economy in Uzbekistan, it is expedient to calculate the transformation indices for the long or medium term.Figure 2 shows the dynamics of 5-year indices for 1992-2015 and 2-year indices for 2016-2018 in Uzbekistan.

Figure 2. Dynamics of transformation indices in Uzbekistan

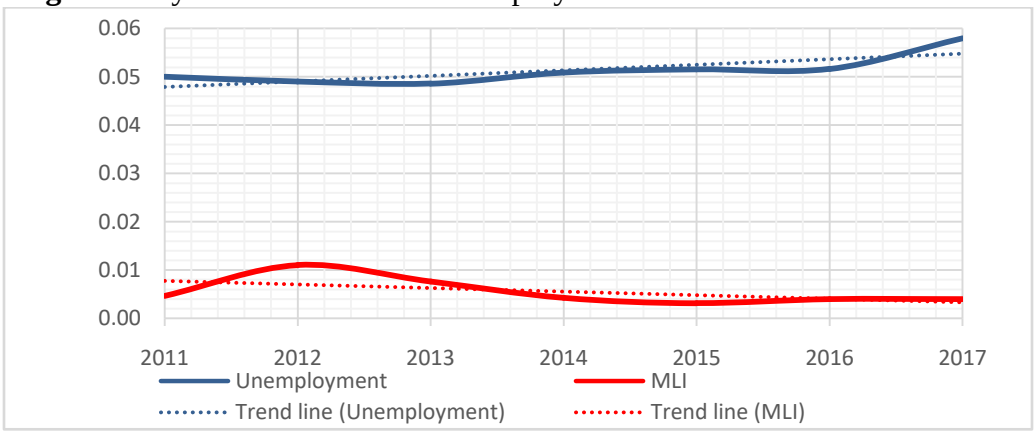


Source: Author's calculations.

According to the calculations, the largest value of the indices was recorded in the period 1998-2003.And the largest discrepancy between the indicators (0.009) falls to 1992-1997.

The main goal of structural transformation in the labor market is to create new jobs with high labor productivity and reduce the unemployment rate.In this context, it is worthwhile to determine whether the impact of transformation on the labor market is positive or negative.In my view, structural changes and changes in the unemployment rate need to be analyzed in relation to determine the effect of the transformation.Figure 3 describes the dynamics of structural transformation index (MLI) and unemployment rate changes in 2011-2017 in Uzbekistan.

Figure 3. Dynamics of MLI and unemployment rate indicators in Uzbekistan[1]



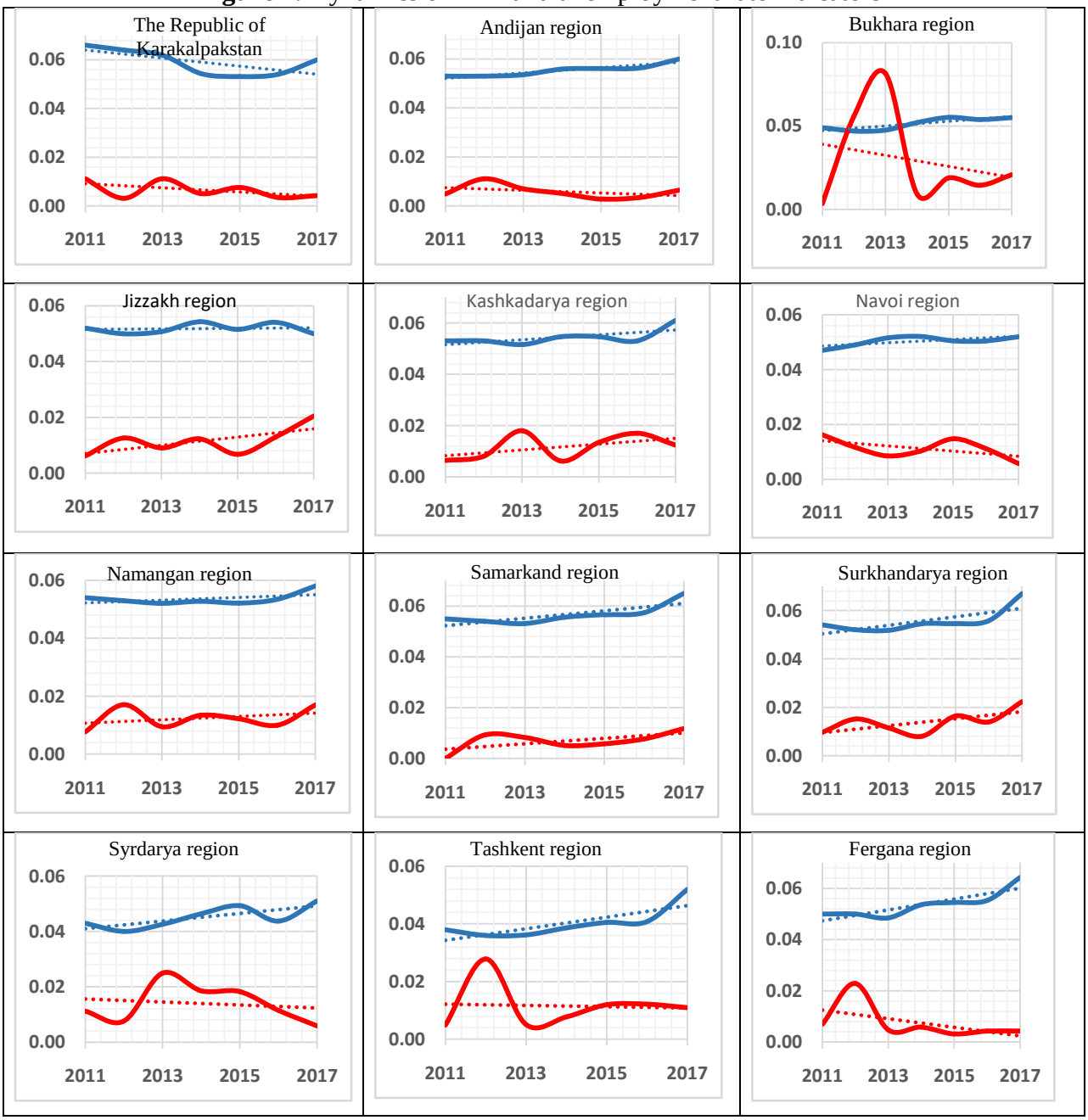
Source: Prepared by the authorauthor.

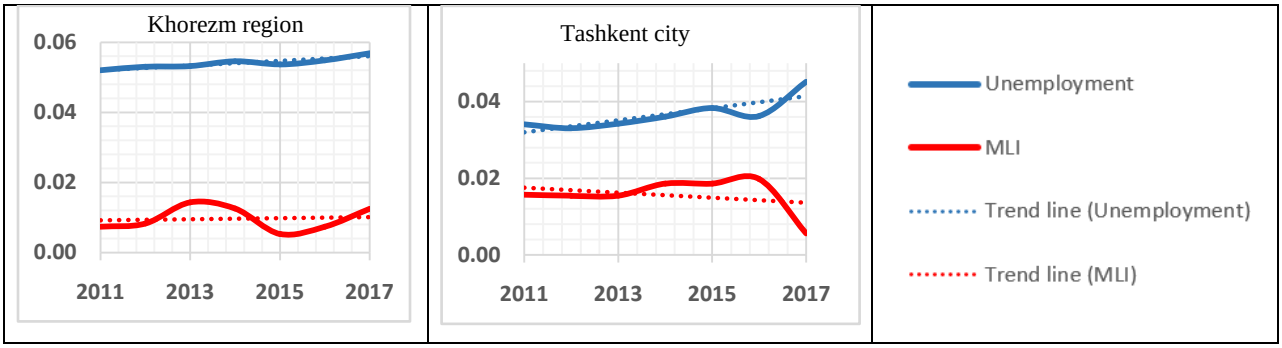
Observing the changes in the MLI and the unemployment rate, it can be seen that there is an inverse proportionality between them, i.e. the unemployment rate decreases as the transformation rate increases and, in turn, the unemployment rate increases as the transformation rate decreases.However, this case, in my opinion, cannot be a sufficient basis for drawing clear theoretical conclusions.Therefore, it is worthwhile to observe how this situation, observed on the scale of Uzbekistan, manifests itself in the territorial units of the country (Figure 4).

The inverse proportionality between unemployment and transformation rates is fully expressed in some regions and partially in others, ie if the unemployment rate decreases (increases) in response to an increase (decrease) in some years, in some cases both indicators increase or

decrease simultaneously.These changes are reflected in the curves depicting unemployment and MLI in the figure.However, given the long-term nature of the transformation process, it is clear that the analysis should be carried out not only in terms of the short-term perspective, but also in terms of the long-term perspective.The trend lines in the picture help to visualize the relationship in the long run.

Figure 4. Dynamics of MLI and unemployment rate indicators[2]





Source: Prepared by the author.

The inverse proportionality between the two indicators mentioned above may indicate a positive effect of the transformation in solving the unemployment problem.It is unlikely that this hypothesis will lead to the emergence of negative cases in the long term.The situation in Kashkadarya region is a clear example of this. In the region,the unemployment rate decreased in response to the increase in the transformation rate in the periods2011-2013 and 2014-2016, while in the periods2013-2014 and 2016-2017 the transformation rate decreased and the unemployment rate increased.At the same time, while the transformation rate reached its highest value in the period 2011-2014 in 2013, the unemployment rate in the same year also reached its lowest value in this period.In the period between 2014-2017 years,this situation was observed in 2016 year.This proves that there is an inverse correlation between the two indicators being analyzed.If it is concluded based on the above considerations, the acceleration of structural changes in the region will serve to reduce the unemployment rate.However, when the process is analyzed in terms of long-term perspectives, a slightly different picture emerges.

The trend lines of both indicators have a growing feature and the minimum values of the unemployment rate have been growing over the years.That is, the minimum value of the recorded unemployment rate in the period from 2014 to 2017 (5.3%; in 2016) increased by 0.1 percentage points compared to the minimum in the period from 2011 to 2014 (5.2%; in 2013).This means that in the long run, both the transformation rate and the unemployment rate tend to increase, which means that these two indicators are moving in direct proportion.As a conclusion on the situation in Kashkadarya region, we can say that although structural changes have a positive impact on the unemployment rate in the short term, there is an increase in the unemployment rate against the background of the growth of transformation in the long term.

When analyzing the cause of the negative impact of transformation in the long term, it is necessary to identify regions where similar cases have been observed and determine commonalities in them.These regions include the Republic of Karakalpakstan, Jizzakh, Kashkadarya, Namangan, Samarkand, Surkhandarya and Khorezm regions.

As of January 1, 2019, in 6 of these 7 regions, the agricultural sector is a priority sector of the regional economy.In particular, in 5 regions (Jizzakh, Namangan, Samarkand, Surkhandarya and Khorezm regions) the share of the agricultural sector in GVA is more than 50%, and in Kashkadarya region this figure is 42.2%.Although the share of the agricultural sector in the GVA of the Republic of Karakalpakstan is relatively small (28.8%), it has the lowest value among these regions in terms of the average value of transformation indices (NAV and MLI) for the analyzed period.

FINDINGS AND DISCUSSION

Based on the situation in the analyzed regions, we can say that the presence of structural transformation, its high or low level does not directly contribute to the improvement ofthe situation in the labor market.In some cases, structural changes may not have a positive impact on or worsen the situation in the labor market.This is explained by the following two main reasons:

1. Direction of structural transformation to sectors with low labor productivity and an increase in employment in these sectors;
2. Instability of transformation. Over the years, the share of sectors in GDP (or employment) fluctuates unevenly, and after a certain period of time, the proportion of shares returns to its original state.This can be seen in the employment structure in Uzbekistan in 2007-2013 (Figure 1).

Among the regions with a share of the agricultural sector in gross regional product (GRP) above 50%, only in Bukhara region it can be assumed that structural transformation will have a positive impact on the labor market in the long run, ie the trend lines representing changes in unemployment and MLI are inversely proportional.

In Bukhara region, the indicator of labor productivity in agrarian sector[3] is the highest among the regions with a share of the agrarian sector in GRP more than 50%, and in this respect, the region ranks second in the Republic of Uzbekistan after Navoi region.In 2017, labor productivity in the agrarian sector in the Republic of Uzbekistan amounted to 24.78 million soums / person in current prices, while in Bukhara region it was 30.27 million soums / person, which is 1.2 times higher than the national average.In 2018, the average labor productivity in the agrarian sector in the country amounted to 33.03 million soums / person and in Bukhara region, the figure was almost 1.2 times higher than that average[4].

In recent years, along with structural changes, the study of changes within the sector has also become an issue of interest to scientists.While structural changes involve the development of high-productivity industries, changes within the industry are intended to increase the productivity of industries.The effect of changes within the sector can be seen in the example of Bukhara region.In particular, in 2018, the growth of labor productivity in the agrarian sector of the region compared to 2017 amounted to 106.2%.This can be explained by the fact that structural and within sectoral changes in the region, in particular in the agrarian sector, are taking place in parallel.

The unemployment rate and MLI trend lines in Andijan, Bukhara, Navoi, Sirdarya, Fergana, Tashkent regions and Tashkent city are mutually inversely proportional and represent the positive impact of structural changes on the labor market in the long run.In particular, the figures depicting the situation in Navoi region and the Tashkent city are very close to the situation in Uzbekistan.The correlation between transformation and unemployment rates in these regions is inversely proportional to both the short-term and long-term perspectives (Figure 4).

In modern conditions, there is a tendency for production to shift to developing countries.Looking at the last decade, the share of the industry in the GDP has been increasing in Uzbekistan.In an innovative economy, the growing share of the services sector is an objective consistent pattern.The number of people employed in the service sector in Uzbekistan is growing from year to year, and as a result of the declining share of the sector in the country's GDP, there is a decrease in labor productivity in the services sector.

CONCLUSION/RECOMMENDATIONS

Based on the above analysis, the positive impact of structural transformation in the labor market can be attributed to its focus on sectors with high labor productivity.Given the fact that the highest indicators of labor productivity in Uzbekistan fall on industrial sectors, increasing the share of employment in this type of activity by themaking industry a priority sector of the economy and creating new jobs in this sector will improve the situation in the labor market, increase regional economic development andultimately will serve to ensure economic growth in the country.

Within the framework of the research, the following suggestions and recommendations were developed on the management of transformation processes in Uzbekistan:

1. The presence of structural transformation, its high or low level does not directly serve to improve the state of the labor market, to eliminate inequalities in the socio-economic development of the regions.In the solution of the issue it is necessary to determine the priority direction of structural transformation, reduce regional disparities in the issue of social partnership, taking into account the interaction of social and economic components.
2. In the economy Uzbekistan, the orientation of the transformation to agriculture based on traditional methods has a negative effect on the state of the labor market, while the orientation to the industry gives a positive effect.From the point of view of the labor market, the regions in which the non-traditional-innovative methods are widely introduced in the agrarian sector, and the regions with deep specialization and developed processing industry have an advantage over others.
3. In managing the processes of structural transformation, it is necessary to identify priorities of active state employment policy and assess the effectiveness of policy, aimed at increasing employment in response to the growth of GDP and labor productivity, which represents economic growth.These measures allows us to review and further refine the existing approaches to the formation of the goals and objectives of the state in the labor market, taking into account the possibility of further increasing the effectiveness and efficiency.

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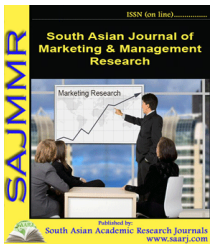

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MAGIC OF MUSIC – MARKETING COMMUNICATIONS FOR SWACHHATA AT INDORE

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ABSTRACT

The emergence of Indore as the cleanest city of India consecutively for the fourth time is an outcome of multidimensional strategy adopted by Indore Municipal Corporation (IMC). Behavioural change among citizens of Indore has been the catalyst for making the city clean. It is through people's engagement and participation, the corporation could successfully execute its solid and wet waste segregation, collection and management strategy. Amongst all the marketing communications tools used for this purpose, Music in the form of Swachhata Song has remained the key element in creating the awareness and bringing the behavioural change among the citizens. The present study was aimed at analysing effectiveness of marketing communications strategy used by Indore Municipal Corporation for Swachhata Campaign. The study found that though many tools of integrated marketing communications have played their role in this mission, but the Swachhata Song occupied the most popular rating by the respondents. This study establishes the effectiveness of music as a marketing communications tool through its magical power of emotional engagement.

KEYWORDS: *Marketing Communications, Music, Swachhata*

INTRODUCTION

Ever since the "Swachh Bharat Mission" (Clean India Mission) was launched on 2nd October, 2014 on the birth anniversary of our Father of Nation , Shri Mahatma Gandhi by Hon'ble Prime Minister of India, Shri Narendra Modi, marketing communications tools have been used to

inform, educate, persuade and bring attitudinal and behavioural change among citizens of India towards making the nation clean. The purpose of these campaigns were primarily to eliminate open defecation and improve solid waste management (SWM) in urban and rural areas in India along with developing a habit of keeping the surroundings clean. These campaigns created a mass movement which resulted into Open Defecation Free (ODF) rural and urban areas and significant improvement in the level of cleanliness. The participation of cities through Swachhata Sarvekshan has been an effective strategy to involve masses into the mission of keeping city clean. Indore Municipal corporation (IMC) has set a landmark example of emerging as the cleanest city of India, consistently for the fourth time in the year 2020. This could be achieved through an effective marketing communications strategy of engaging masses in ODF model and solid waste management related activities. This strategy involved tools ranging from advertising in print, broadcast media along with other traditional and innovative media, use of IT and Social media, Nukkadnataks (street plays), road rallies, Oath and signature campaign, mural (wall) paintings, events of various scale, and other communication tools. This study was undertaken with a purpose to analyse the effectiveness of marketing communication strategy used by Indore Municipal Corporation achieving the results by bringing the required level of engagement, participation and attitudinal – behavioural change of masses.

REVIEW OF LITERATURE

Music has always been an integral part of everyone's life regardless of age, gender, education, occupation, region, religion or any other demographic or psychographic dimensions. It has been used effectively as background music or jingle or even as audio logo in marketing communications. Most of the advertising on television and radio uses music to create brand identity, arouse emotions, influence moods and feelings, engage and involve customers. The power of music to influence emotions and behaviour of people is well established.

The studies on music reveal that music act as a powerful stimulus which influences moods and behaviour (Bruner, 1990) and further it was found by Alpert and Alpert (1990) that happy music has the power to product happier moods. Morris and Bonne (1998) in a study on the effect of music on emotional response, brand attitude and purchase intentions reported that music is an important feature in advertising and act as an emotional stimulus for purchase motivation and brand attitude. The role of music in service organizations has been studied extensively and reported positive influence on customers. In an important study Areni (2003) observed that in atmospherics, music influences store image, perception of time customer purchase behaviour. Another study by Morin et al. (2007) established the role of pleasant music in servicescapes on customers' favourable evaluations and purchase intentions.Zander et al. (2010) observed that music has the persuasive power to influence people, evoke emotions and memories. Jain and Bagdare (2011) in an extensive review of literature on role of music observed that most of the studies have established that the presence of music stimulus influences customers' cognitive, emotional and behavioural responses and has the power for attention, identification, association and remembrance. In another study While analysing the research trends on music and advertising, Ruth and Spangardt (2017) observed that many researches have reported the effect of music in advertising on persuasion, engagement, emotions, entertainment, perception, attitude, recall and purchase intentions. The studies on jingles in advertising have also reported the effect of music on customers. In one of such studies it was found that music has the potential of increasing the effectiveness and credibility of radio advertisement (Martin-Santana et al., 2015)

and further customers are influenced by jingles in advertising in terms of product retention and recall (Shakil and Siddiqui, 2019),

In view of the reported studies, it emerges that music has been used in a variety of ways in advertising, atmospherics, servicescapes and other situations. Most of the studies have observed and established that music acts as powerful stimulus to influence customers. Its effect has been observed in enhancing attention, recall, association, engagement, evoking emotions and memories, perceptual and attitudinal change, purchase intentions and bringing behavioural changes.

RESEARCH METHODOLOGY:

The Study was descriptive in nature and analysed the communication strategies, components of the communication mix, different media channels used by the Indore Municipal Corporation for spreading awareness and studying its impact on the citizens of Indore. Primary data was collected by designing awell-structured questionnaire which was filled by 249 respondents from different age groups. The questionnaire included general questions based on their perception about cleanliness and IMC 's efforts in spreading the awareness about the same. The survey was carried out in reference to Indore city. Non probability, convenience sampling technique has been used for the collection of primary data.

RESULTS AND DISCUSSIONS:

According to the analysis, 100% people agreed that the IMC's efforts have changed the perception of the people in Indore about cleanliness. Citizens of Indore became more aware about cleanliness and cared about their surrounding's cleanliness.

The results brought the most important finding that around 92.37% of people in Indore remembered the Swachhata songs and advertisements by IMC on cleanliness. This shows that IMC's songs and advertisements had a good impact on people's mind and help change their perception and behaviour towards keeping their surroundings clean.

It was further revealed from the analysis that 98.80% of people hear Swachhata song when they come across collection vans. It shows that IMC's efforts of spreading awareness via collection vans and through music impacted the people directly and made them more responsible about cleanliness.

An analysis of the promotional efforts of IMC revealed that, 95.58% of people often came across IMC advertisements about cleanliness. IMC used different channels like songs, radio, T.V, posters, hoardings, mural paintings, billboards, symbols etc. and often reminds the people in Indore to stay clean and keep their surroundings clean. Only around 54.22% of people watched the Swachhata advertisement on T.V. whereas, 78.71% of people heard IMC's clean Indore jingle on radio. The percentage of people to listening advertisement on cleanliness on radio is more than that of the T.V ads. 93.57% of people thought that the advertisements by IMC on cleanliness provided them with vital information on cleanliness. They thought that the advertisements play a vital role in making them aware about cleanliness.

IMC came up with various changes like selfie points, mural paintings etc. to motivate the people to stay and maintain cleanliness in their surroundings. The analysis shows that around 97.59% of people, loved these changes, and kept city clean and also encouraged others to keep clean and felt proud of these changes.

IMC has involved many celebrities like Shaan (renowned singer), Shankar Mahadevan (renowned Singer), Shamita Shetty (actress) etc. for its cleanliness drive and also made them the Brand Ambassadors for the campaign.Around 86.35% of people agree to the importance of involvement of celebrities, which is in line with the general observation that Celebrities do impact people and can influence largerpopulations.

The findings also revealed that responses did not differ with respect to age, gender, education and occupation.

The results also revealed that the Swachhata Campaign of Indore Municipal Corporation has made a significant impact on citizens of the in the following rank order:

1. Contributing in making Indore cleanest city
2. Segregating wet and dry waste
3. Creating awareness for keeping the city clean
4. Making efforts in keeping the city clean
5. Taking pride in keeping the city clean
6. Appreciating the efforts of IMC in keeping the city clean
7. Motivating in keeping the city clean
8. Educating citizens for maintaining cleanliness
9. Recognizing the efforts of IMC in keeping the city clean
10. Creating interest in contributing to keep the city clean
11. Promoting the maintenance of cleanliness everywhere
12. Following the directives of IMC for cleanliness

The results of the study clearly establish the role of music in Swachhata Campaign of Indore city. Although IMC used a mix of integrated marketing communication tools, but Swachhata song has played a key role. IMC used a unique concept of Swachhata Songs – Swachhata Anthem by engaging renowned singers Shaan, Shankar Mahadevan, Rishikesh Pandey, Payal Dev, JubeenNautiyal, June Banerjee and others. The lyrics were written in simple language using key words such as “Indore banega number one”, “Indore rahega number one”, “Hai Halla”, “HoHalla”, “Hattrick”, “Chauka” etc. The songs used captivating music which could connect every common person of Indore city. The music was very melodious, soothing, motivating and entertaining. The songs were played by every waste/garbage collection van which used to go door to door in every ward. Just by listening to the songs played by the vans, citizens used to bring segregated wet waste and dry waste in different bins to be given to the collection vans. They were also used as radio jingle, videos, events and other places. The songs became so popular that everyone could easily remember and relate to cleanliness. These songs not only acted as a powerful medium of communication to inform and educate, but also brought the required attitudinal and behavioural change towards keeping the city. All such efforts have helped Indore in becoming cleanest city of India.

CONCLUSION

Public service – Social cause campaigns like SwachhBharat Mission demands engagement, involvement and participation of masses – every common man associated with the cause. Swachhata i.e. cleanliness is everyone's responsibility and commitment. It requires a disciplined approach and behaviour on day to day basis by everyone concerned. The marketing communications strategy adopted by Indore Municipal Corporation is an example of achieving the target of emerging as the cleanest city of India, consistently for the fourth time. Although IMC, Indore used a 360-degree integrated marketing communications strategy involving all types of communication mix elements, but the power of music created magical moments. It clearly established that music has no barriers of age, gender, religion, education, occupation or any other dimensions. Music has the ability to arouse all types of emotions ranging from sadness, happiness, joy, celebration, romance, friendship, heroism to patriotism and more. It's power to motivate to people to bring the desired perceptual, attitudinal and behavioural change was clearly established by the Swachhata Songs used by IMC in this Swachhata campaign. The present study makes a significant contribution by analysing and establishing the role of music in mass media campaigns such as Swachhata Campaign of Indore. Musical elements can be effectively integrated in marketing communications to for bringing emotional, cognitive and behavioural changes among masses.

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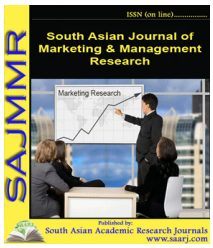

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ANALYSIS OF PHYSICAL-MECHANICAL PERFORMANCE OF TWO-LEVEL

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ABSTRACT

The article presents the results of the analysis of physical and mechanical properties of 4 variants of knitted fabric. Samples of knitted fabrics were obtained using linear density 17.3 tex polyester yarn, linear density 35 tex x2 spun polyacrylonitrol yarn and 30 tex cotton yarn

KEYWORDS: *Knitwear, Cotton Thread, PAN, Fabric Structure, Polyester, YG-026T, Dinonometer, Tensile Strength, Relative Lightness.*

INTRODUCTION

Production of new structures of knitted fabrics will allow to solve a number of urgent problems facing the knitting industry of the Republic.

In order to solve the above-mentioned series of problems, 4 samples of knitted knitted fabric structures were produced on the 12-class LONG-XING SM 252 knitting machine with flat needle.

The report of the knitted fabric consists of rows of glad and press. Knitted knitted fabrics differ from each other by changing the type of raw material and the sequence of fabric reports.

Samples of knitted fabrics were obtained using linear density 17.3 tex polyester yarn, linear density 35 tex x2 spun polyacrylonitrol yarn and 30 tex cotton yarn.

Physical and mechanical properties of knitted fabrics Among the descriptive indicators are the following: strength and elongation at break, elongation under stress less than tensile strength, resistance to single and repeated elongation, resistance to shrinkage and abrasion, resistance to heat and wet processing [1].

In order to study the effect of polyacrylonitrol and polyester yarns on the physical and mechanical properties of the fabric, the physical and mechanical properties of 4 variants of glades-based knitted fabric samples were determined experimentally on modern equipment installed in the NamETI test laboratory and the results are given in Table 1 [2].

Air permeability is the permeability of the materials themselves. Air permeability is characterized by a coefficient indicating the amount of air passing through 1 sm^2 of fabric in 1 second at a given pressure difference on both sides of the material.

Physical and mechanical properties of knitted fabrics

INDICATORS		**OPTIONS**			
		1-sample	2-sample	3-sample	4-sample
Type of yarn, linear densities and percentage % of fabric		cotton 30x2	cotton 30x2	Polyester 17x3	Polyester 17x3
		PAN 35x2	PAN 35x2	PAN 35x2	PAN 35x2
Surface density Ms (gr / m2)		488.6	438.6	303	305
Fabric thickness T (mm)		2.9	2.8	2.7	2.5
Volume density δ (mg / cm3)		168.5	156.6	112.2	122
Air permeability V (cm3 / cm2 · sec)		43.7	41.5	60.4	72.8
Interruption force R (H)	height	730	629	672	922
	width	348	272	295	312
Stretching to break L (%)	height	51.4	50.6	56	52
	width	89.5	77.3	89.2	117.7

Irreversible deformation $\varepsilon_н$ (%)	height	68	67	52.2	50
	width	53	52	31.5	25
Back deformation ε_o(%)	height	32	33	47.8	50
	width	47	48	68.5	75
Fabric initiative K(%)	height	2	2	1	1
	width	3	2	1	1
Friction resistance I (thounsand. circle)		45	48	50	52

The air permeability of woven knitted fabrics was tested on equipment YG461E based on GB / 5453 (ISO 9237) standard. According to GB / 5453 (ISO 9237), the pressure for ready-made garments was tested under normal conditions with a pressure of 100 Pa and arange of Ø 8.0 mm.

The air permeability coefficient V (sm^3 / sm^2*sek) is determined by the following formula.

$B=V/S*T$, sm^3/sm^2 *sek

where: V is the amount of air passing through the fabric at a given pressure difference ΔP,sm^3;

S - fabric area, sm^2;

T - the time of passage of air through the fabric, sec.

The air permeability properties of woven pattern knitted fabrics vary from 41.5 to 72.8 sm^3 / sm^2*sec.

The lowest air permeability was observed in variant 2 of the knitted fabric and its volume was 41.5 sm^3 / m^2*sek. The highest air permeability was observed in variant IV of the knitted fabric samples and its volume was 72.8 sm^3 / sm^2*sec. (Table1, Figure 1).

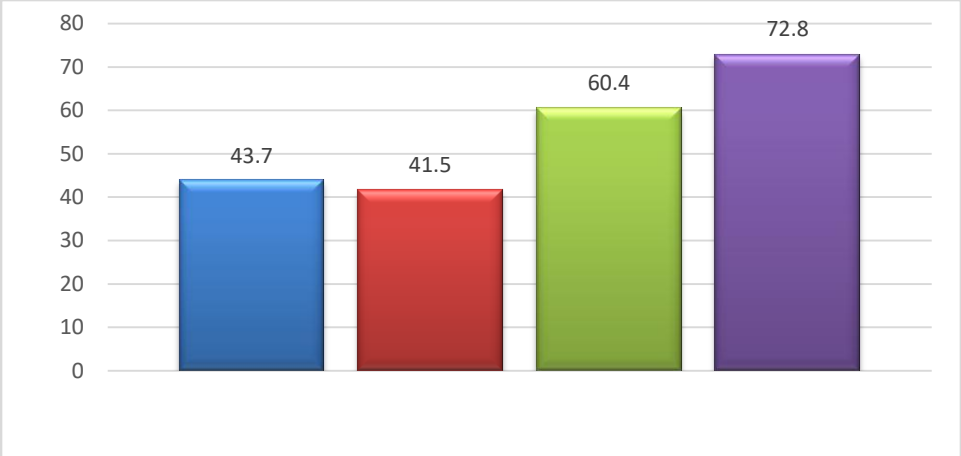

Figure 1. Air permeability histogram of knitted knitwear

The description of the cut is an acceptable key indicator for assessing the quality of knitted fabrics. All GOST and TSH applicable to knitted fabrics include normative indicators on elongation and tensile strength. Tensile strength is the force required to break a specimen at a given size and speed. The breaking force is expressed in Newtonian units. The breaking strength

of the submitted samples was determined using the standard method using a dynamometer YG-026T.

Tissue toughness, i.e., tensile strength analysis, shows that the most rigid tissue in length was 4 variants, with an index of 922 N, and tissue toughness was observed in variant I, which had a tensile strength of 348 N.

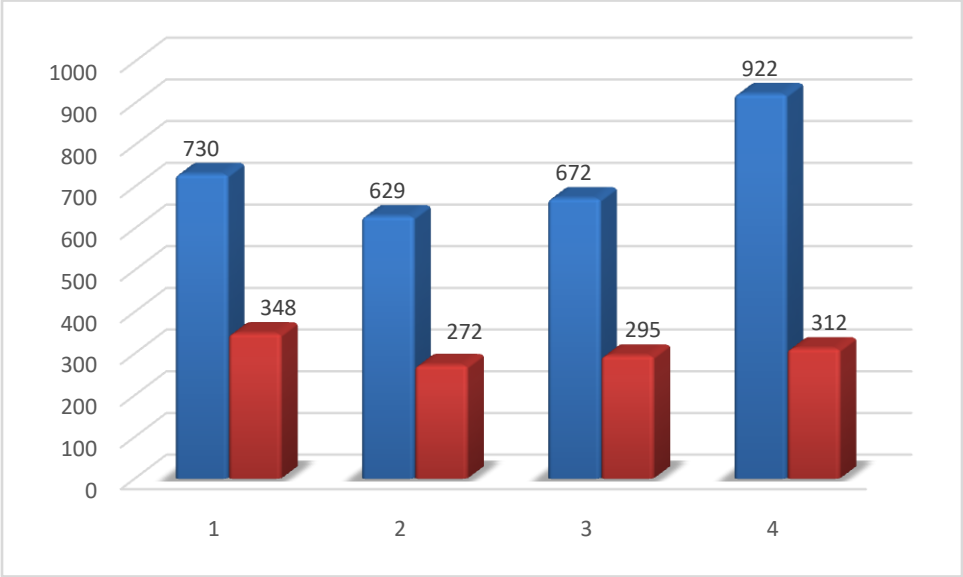

Figure 2. Histogram of change in tensile strength of knitted fabrics

The elongation of a knitted fabric is understood as its elongation under the influence of the force expended. Elongation is characterized by the elongation of the sample being tested. Elongation is expressed in absolute or relative units. When testing knitted fabrics with a length of 100 mm, clamped to the dynamometer YG-026T, their absolute and relative sizes are the same.

The length elongation of knitted fabrics ranges from 50.6 % to 56 %. The highest elongation was observed in variant III of the knitted fabric, and it was 56% (Table 1). The linear density of this fabric composition is 17.3 tex x 3 polyester and 35 tex polyacrylonitrile strip. The elongation of the knitted fabric in variant I was the lowest, at 50.6%. This fabric composition reaches 30 tex x 5 cotton yarn and 35 tex PAN yarn.

The elongation across the width of the knitted fabric ranged from 77.3% to 117.7%. The maximum width elongation was observed in variant IV of the knitwear and it was 117.7 %%. The elongation at minimum width was observed in variant II of the knitted fabric and it was 77.3%.

In summary, the amount of elongation along the length and width of a knit will depend on the structure of the knitted fabric and the type of yarn it contains. When designing products, it is important to know what elastic properties knitted fabrics have [3].

The total deformation e consists of the following parts: the flexible part eq rotates at high speed after the loads are removed from the samples being tested; elastic deformation ee develops at a small rate, associated with the passage of the relaxation process; plastic deformation ep, does not return after removal of loads from samples.

$$E=E_k+E_э+E_p \qquad (2)$$

The deformation of the knit varies with the elasticity, stiffness, and number of loops of the yarn. Not only the description of the deformation, but also the state of the knitting is determined by the internal, two main forces: the elastic force of the yarn bending to the ring tends to straighten the yarn and change its shape. The result is a frictional force between the yarns, which prevents the placement of the yarns in the loop and interferes with the structure of the knitted fabric [4,5].

In knitted fabric samples, the proportion of longitudinal deformation varies from 32% to 50%, while the proportion of reverse deformation in width varies rom 47% to 75 % (Table 1, Fig. 3).

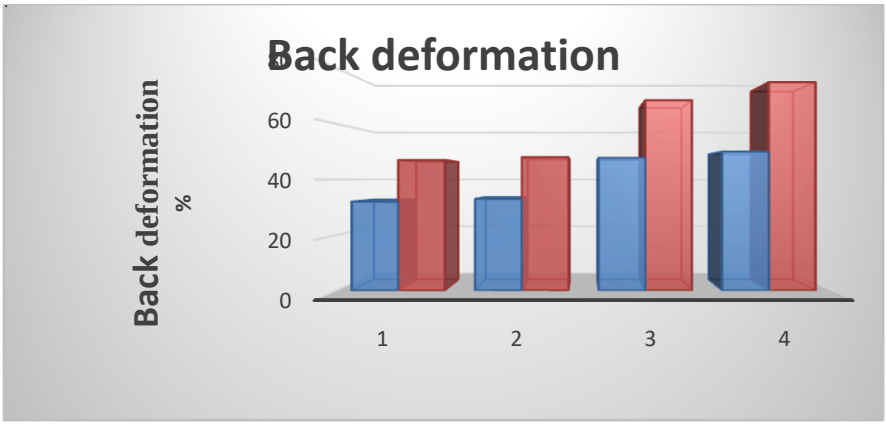

Figure 3. Histogram of re-deformation of knitted tissue

Such indications of the proportion of back deformation indicate that the knitted fabric quickly returns to its original position after stretching.

In the process of wet processing of knitted fabrics (washing, drying) the decrease in size is called penetration, and the increase is called tensile.

Knitted fabrics have a significantly higher elongation than woven fabrics and have a highly elastic structure, even under the influence of small stresses. The principle of operation of machines for the finishing of knitted fabrics is almost no different from the machines for the finishing of woven fabrics. It has been noted that one of the main reasons for high penetration is excessive deformation of knitted fabrics in finishing operations.

When knitted fabrics are processed, the less the knit enters, the higher its shape-retaining properties. Studies have been conducted to study the effect of the amount of cotton yarn, polyacrylonitrol and polyester yarns in the composition of knitted fabrics on the elasticity.

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MULTIPLE TAXATION AND BUSINESS SUSTAINABILITY IN NIGERIA

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ABSTRACT

This study is centered on the Effects of Multiple Taxation on business sustainability in Nigeria. The objective of this study is to investigate the influence that multiple taxation has on business sustainability in Nigeria. This study covers SMEs in Rivers state with sample of twenty firms with the aid of survey research design and subsequent multiple regression. Descriptive statistics was used to study the data collected for this work through a well-structured questionnaire. Ordinary least square regression was applied. The results has it that; cost of compliance and value added tax had significant and negative effect, while property tax and mobile fees and levies had positive effect on returns on assets, although the effect of mobile fees and levies was insignificant. It also showed that cost of compliance had the biggest significant effect on returns on assets while VAT had the least significant effect. Multiple taxation has a significant impact on the asset tangibility of SMEs, multiple taxation does not have a significant impact on the sales growth of SMEs in Nigeria. This study recommends that multiple taxation should be outlawed.

KEYWORDS: *Multiple Taxation, SMEs, Business Sustainability, Nigeria.*

INTRODUCTION

Taxation infers required transfer or payment of money from private individuals, institutions or groups to the government. It may be levied upon wealth or revenue in the form of surf-charge on prices. Taxes therefore are a proportion of the produce of land and labour of a country placed at the disposal of the government. These taxes are multiply imposed by the government with christened names. However, within the context of this work, all required payment made by individuals and institutions to the government are regarded as tax. Taxes generally provide basis for government revenue, which help them in carrying out their functions. This is why Ojo (1996)

defined tax as a means by which government suitable part of private sector's revenue and expenditure for the purpose of meeting recurrent expenditure and creating public capital formation towards the development and growth of goods and services of the economy. A tax, although may be imposed for the above purposes, has effects on the behaviour of the payer and some variables within his revenue and consumption function. Small-scale enterprises have so many definitions due to different criteria employed by different people and institutions in defining it. There is no single, uniformly accepted definition of a small firm (Storey, 1994). SMEs differ in their levels of capitalization, sales and employment. Hence, definitions which employ measures of size (number of employees, turnover, profitability, net worth, etc.) when applied to one sector could lead to all firms being classified as small, while the same size definition when applied to a different sector could lead to a different result.

However, Holban (2007) suggested that taxation can add to the development and welfare through three sources; It must be able to generate sufficient funds for financing public services and social transfers at a high level of quality, it should offer incentive for more employment and for an efficient and lasting use of natural resources, finally it should be able to reallocate revenue. But in the case of SMEs, tax must be done in such a way that puts their revenue and need for survival into consideration. It is expedient that enough profit is allowed them for the purpose of expanding their businesses. The tax policy must be one that will not encourage SMEs to remain in the informal sector or to evade or avoid tax payments. More so, many small firms in Africa, including Nigeria, choose to remain in the informal sector because the perceived benefits outweigh the perceived costs. SMEs rarely see their tax contributions at work and the compliance costs are high, thus discouraging compliance. The government is also discouraged from collecting taxes from small firms, because the cost of monitoring and collecting tax from small businesses by revenue authorities, whose resources are usually scarce, sometime outweighs the revenues generated by small businesses (Stem and Barbour 2005). Small scale enterprise within the context of this work is any business organization which has working capital between one hundred thousand naira and ten million naira excluding land and employs fewer than fifty full-time workers. Small and medium enterprises (Small businesses) form the core of majority of the world's economies. A study carried out by the Federal Office of Statistics shows that in Nigeria, small and medium enterprises make up 97% of the economy (Ariyo, 2005). However, the mortality rate of these small firms is very high.

According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) Nigeria, 80% of small businesses die before their 5th anniversary. Among the factors responsible for these untimely close-ups are tax related issues, ranging from multiple taxations to enormous tax burdens etc. In many government policies, small and medium enterprises are usually viewed and treated in the same light as large corporations. However, their size and nature makes them unique. Government in order to meet up with its responsibilities of providing social infrastructures and other development projects for her citizens imposes taxes on her citizens. This is done by the different tiers of Government-Federal, States and Local Governments with respect to their fiscal powers (Tax Powers). However, the rate at which the governments concerned increase the existing taxes should be a thing of concern to economic agents. While the Federal Government is clamouring for a stable general price level, increased rate of growth in Gross Domestic Product (GDP), increased employment opportunities, through the establishment of small-scale enterprises; the state and local governments are busy introducing new taxes and increasing the rate of the existing taxes. In levying of taxes for these enterprises in particular,

issues that need to be considered are how these tax policies can be designed to bolster the growth of Small businesses and the most effective ways to administer them. The importance of Small businesses as a mechanism of economic growth and development is often ignored. The focus of this research therefore is to determine the influence of multiple taxations on the business sustainability of (SMEs) in Nigerian.

STATEMENT OF PROBLEM

Although there was a general perception that tax is an important source of fund for development of the economy and provision of social services, the problems faced are in the area of negative relationship between taxes and the business ability to sustain itself and to expand, SMEs are faced with the problem of high tax rates, multiple taxation, complex tax regulations and lack of proper enlightenment or education about tax related issues. Not minding other challenges that SMEs are facing in other developing countries like Nigeria; inadequate capital, poor technical and managerial skills, environmental effects and the government regulations which is most affecting the operation of SMEs in Nigeria, especially this issue of multiple taxation which is a worm eating deeply and the large chunk of revenues generated by these SMEs for their growth and survival. These have led to increase in record of dearth of Small and Medium Scale Enterprise (SMEs).

OBJECTIVE OF STUDY

The general objective of this study is to verify the effect which multiple taxation has on business sustainability in Nigeria. The specific objectives are to;

1. Examine the effect of multiple taxation on return on asset of SMEs in Nigeria
2. Determine the effect of multiple taxation on capital expenditure of SMEs in Nigeria.
3. Ascertain the effect of multiple taxation on sales growth of SMEs in Nigeria.
4. Investigate the effect of multiple tax on asset tangibility of SMEs in Nigeria.

RESEARCH HYPOTHESES

Ho_1 Examine the effect of multiple taxation on return on asset of SMEs in Nigeria

Ho_2 Determine the effect of multiple taxation on capital expenditure of SMEs in Nigeria.

Ho_3 Ascertain the effect of multiple taxation on sales growth of SMEs in Nigeria.

Ho_4 Investigate the effect of multiple taxation on asset tangibility of SMEs in Nigeria.

LITERATURE REVIEW

Conceptual Review

Multiple Taxation

Tax Policy in Nigeria has been largely used to generate maximum revenue for the government and as a result its use for optimal allocation' of i-resources or redistribution of revenue is being neglected. Anyanwu (1997) noted that tax authority in Nigeria has concentrated on the manipulation of the rates and tax bases in order to generate enough revenue for the government. This has led to imposing of different types of taxes and levies by tax authorities. These different taxes, which should have otherwise come under one major type of tax but are split into many forms, are in this work referred to as "multiple tax". Ndekwu (1988) observed that so many taxes

are imposed at different or supplementary' rates and it involves different tax bases and different times of payment. In Nigeria, tax policy planning is not clearly assigned to specific unit. Any change in tax law is usually designed in ad hoc manner and is based on expediency rather than on long-term studies, (Anyanwu 1997). Utomi (2000) in line with 'this view noted that Nigeria has a confused taxation philosophy. This results in proliferation of taxes and tax laws hence tax multiplicity. Ogunleye (2000) observed that SME operators battle with high cost of production as a result of various taxes and levies that were slam on them by various agencies and tiers of government. According to him, "it sounds funny that a company that reels under the burden of maintaining generators is subjected to pay what the government call generator levies".

Business Sustainability

The World Council for Economic Development (WCED) defines sustainability as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs." Sustainability, therefore, is an approach to creating true and real value to the systems and resources upon which that value depends on. Taking this further, Business Sustainability can be said to be a process of analysis and decision making across business functions, obtained through a committed and clear understanding of transitions that may occur in the present or the future. But the sustainability is not easy to achieve. Nidumolu, Pralahad and Rangaswami (2009) and Willard (2012) suggest that the sustainability may become an integral part of the business strategy and operations only if the company overpasses the different challenges at each stage of the process for sustainability and develop new capabilities to tackle these challenges. Nidumolu, Pralahad and Rangaswami (2009) proposed five stages process of sustainability which are compliance, sustainable value chain, design of sustainable goods and services, development of new business model and creation of next-practice platforms.

Essentially, business sustainability is about ensuring that the business doesn't run out of the resources (whether human or material) it needs in order to thrive. This also means that it doesn't just take a short term view of profit, but instead, operates in such a way that it is profitable now (even though it may not be maximizing its profits) and it will be profitable in the future because it is using its resources well, has hedged its risks and can take any shocks that may occur.Sustainability has been defined by Jodha (1990) quoted by Grace, Evbuomwan et al, (1990) as the ability of a system to maintain a well defined level of performance over time and if required, to enhance output without damaging the essential ecological integrity of the system. In the opinion of Glenn, Wiser and Daniel, Magraw (2005), the concept of sustainability means that development efforts, including those aimed at protecting the health and the environment, should be undertaken in a manner that will not frustrate the ability of future generations to meet their needs.

EMPIRICAL REVIEW

Cross Ogohi Daniel(2019)This research is based The Effects of MultipleTaxation on Small/Medium Enterprises in Nigeria" focused on finding the changes in the operations of Small/Medium Enterprises prompted by imposition of multiple taxation. Therefore, the objective of this studyis to examine the relationship between multiple taxation and SMEs survival, and to find out the effects of multiple taxation on 'the growth and development of small/medium scale enterprise. It also looked at the impact of multiple taxation on investment decision of SMEs operators. Descriptive statistics was used to study the data collected for this work through a well-structured questionnaire. The mortality rate of Small and medium

enterprises which make up 95% of the economy is very high and these Small and medium enterprises serve as source of employment generation; innovation, competition, and economic dynamism in the development of Nigerian economy. Tax policy is one of the factors that constitutes the small business economic environment.

Ilemona, Nwite,&Oyedokun(2019)The study examined the effects of multiple taxation on the growth of Small and Medium Enterprises (SMEs) in Nigeria. The aim is to investigate the extent to which multiple taxes affect the operation of SMEs in the country using expansionary rate of these businesses as surrogate for growth. Data for the study were obtained through responses from questionnaire designed on a five (5) point likert scale. Out of 193 questionnaire administered on staff and owners of SMEs on Lokoja – Kogi State, 131 of them were returned representing approximately 68% response rate. The responses were empirically analysed using non-parametric statistics comprising mean score, standard deviation and z-test. The results suggest that multiple taxes have negatively affected the growth of SMEs in Nigeria. The study recommends that government at all levels in the country should address the issue of multiple taxes on SMEs by restricting to collecting only those taxes within their tax jurisdiction as stipulated by law. Tax laws for stiff penalties against any tier of government, tax officials and tax agencies using orthodox, unfriendly and illegal means to enforce multiple taxes on operators of SMEs in Nigeria.

Segun and Osazee (2018) did a study on the effect of multiple tax regimes on sustainable development among small scale enterprises in Lagos state: A study of Lagos Island local government. The aim of the study was to determine the influence of multiple tax determine the influence of multiple tax burden on business performance of small scale enterprises particularly in Lagos Island. Using primary source, data were collected from small business owners within Lagos Island Local government. The data were analysed using simple percentage of inferential statistics. It was discovered that there is significant relationship between MT burden and business performance of small scale enterprises. The study recommended that government should establish an institution to manage the issue of MT in Nigeria.

Ocheni and Gemade (2015) conducted a study on the effect of multiple taxation on the performance of SMEs in Benue state. The aim of the study was to examine the effect of multiple taxation on SMEs survival. Data for the study were collected from a sample of 74 respondents into small and medium scale business in Benue state using questionnaire. Responses were analysed using simple percentages of non-parametric statistics. Findings suggest that multiple taxation has negative effects on survival of SMEs. The study recommended that government should come up with uniform tax policies that will aid development of SMEs in Nigeria.

Chukwuemeka (2017) conducted a study on multiple taxation and the operations of business enterprises in Aba metropolis. The aim of the study was to examine the effect of taxation on businesses particularly in Aba. Structured questionnaires were used to obtain data from selected private business operators in Aba metropolis. Analysis of the data was done using simple percentages. The findings suggest among others that multiple taxation has discouraged the springing up of new businesses enterprise in Aba metropolis.

Okolo, Okpalaojiego and Okolo (2016) conducted a study on effect of multiple taxation on investment in small and medium enterprises in Enugu State. The aim of the study was to examine the effect of multiple taxation on investments in SMEs. Using primary source through questionnaire distribution, data were obtained from a sample of 80 respondents. Obtained

responses were analysed with the use of simple percentages. It was found that multiple taxation has negative effects on SMEs investments. The study recommended that government should evolve a tax policy that would encourage investment in SMEs.

Stephen AanuOjeka (2011) conducted a research work to establish if any relationship exists between the growth of SMEs and the tax policy environment in which they operate in Nigeria. Questionnaires were distributed toSMEs in Zaria, North Central, Nigeria and non-probability judgmental sampling method was employed. The hypothesis was tested using Spearman's Rank Correlation. It was found out that from most SMEs surveyed, they were faced with the problem of high tax rates, multiple taxation, complex tax regulations and lack of proper enlightenment or education about tax related issues. Although, there was a general perception that tax is an important source of fund for development of the economy and provision of social services, the study revealed a significant negative relationship between taxes and the business' ability to sustain itself and to expand. In order to obtain a vibrant and flourishing SME sector, the tax policy needs to be appropriate such that it will neither be an encumbrance to the SMEs nor discourage voluntary compliance. A suggestedsolution is byincreasing tax incentives throughreducing tax rates and increasing tax authorities' support services towards small and medium enterprises.

Bello (2018) examined Multiple Taxation and Profitability of Small Scale Business in Taraba State, Nigeria. It is presumed that small scale businesses are faced with payment of multiple taxes, incessant high and arbitrary charges, and inadequate provision of essential amenities that could foster the progress of the business, non-proper registration and assessment of businesses before levying tax by the tax authorities. A survey design was adopted and the respondents were 98 involving the entrepreneurs and staff sampled from the fifteen (15) bread bakeries in Jalingo metropolis. Random sampling was used in selecting the respondents. The modified Linkert's pattern of data measurement was adopted. Questionnaires were administered on the two samples of respondents namely: entrepreneurs and their employees. Data were collected, tabulated and analyzed using descriptive statistics. One hypothesis was tested using standard deviation to test the influence of multiple taxes on profitability of bread bakeries. It was discovered that multiple taxes negatively affect profitability of small scale business. It was recommended that tax authorities should ensure proper documentation, computation of profits before assessing businesses for payment and laws governing taxation of small scale businesses should be revisited to ensure that multiple taxation is minimized or even eradicated so that small scale businesses could continue to remain in business for the purpose of national development.

Zayol, Duenya,&Gberindye(2018) The objective of the study is to ascertain the effect of multiple taxation on financial performance of Small and Medium Enterprises (SMEs) in Benue State. The population of the study was 816 and the sample size of 268 respondents was adopted using the Taro Yamane formula at a 5% error margin. The study adopted a survey design via questionnaire. Multiple regression was used for analysis in the study. The study found out that duplication of Business Premises Registration Tax, Development Levy and Market Taxes have a significant negative effect on financial performance of SMEs and as a result affects their profitability negatively. The study therefore, recommends that government should ensure that activities of touts in collecting illegal taxes from SMEs is stopped, and also government should desist from collecting similar taxes under different guise and collapse all taxes of such nature into one form of tax. Finally, government should ensure that only the amount stipulated by law is collected as tax and a clear jurisdiction of each tax should be expressly stated.

Aribaba, Oladele, Ahmodu,&Yusuff (2019) examined the effect of tax policies on the survival of entrepreneurship in Ondo State, Nigeria. The study employed survey research design with the population of 18 local government areas. The study adopted multi-stage sampling techniques to select the sample size of nine local government areas that have duly registered small and medium enterprises (SMEs) under Small and Medium-Scale Enterprise Development Agency of Nigeria (SMEDAN) in Ondo State. Structured questionnaire was administered and returned by the respondents. Data collected was estimated using ordered logistic regression to test the hypotheses formulated. The study revealed that the three explanatory variables (multiple taxation, tax rates, and tax incentives) accounted for 43% of the variability of SMEs sustainability in Ondo State with a p value < 0.05, $\alpha = 0.0029$. It also revealed that there was a negative significant effect between multiple taxation and sustainability of entrepreneurship; while tax rates and tax incentives have a positive relationship on entrepreneurship sustainability. The study therefore recommends that a favorable tax regime shall be provided which will encourage entrepreneurship sustainability and reduces social vises. Friendly tax regime would engender voluntary compliance amongst the entrepreneurs in the long run with resultant tax yield.

Oden(2020) Taxation is one of the major fiscal policies the government of any nation such as Nigeria can use to achieve economic stability and in the financing of capital expenditure. Various taxes are levied upon the income, wealth or gain of an individual, family and business firm by the government for the purpose or benefits of the general public. Tax by a simple definition is a financial charge or other levy imposed upon a tax payer which could be an individual or a legal entity from the point of view of the student researcher by a state such that failure to pay is punishable by law. Thus, taxation cannot be regarded as a voluntary payment or donation but an enforced contribution exacted pursuant to legislative authority. In modern taxation system such as Nigeria, taxes are levied, in money which could be used for myriads of functions or purpose such asan expenditure on public order, protection of lives and property, economic infrastructure cures such as roads, public works, social engineering and the operation of government itself (Carrol, et al 2000). Against this back drop, this project examines the effects of multiple taxation on business survival in Nigeria.

THEORETICAL FRAMEWORK

This study is anchored on Laffer curve theory of taxation propounded by Arthur Laffer (1979) cited in Afuberoh&Okoye (2014). The curve illustrates a theoretical relationship between rates of taxation and the resulting levels of government revenue, with emphasis on taxable income elasticity. The theory assumes that no tax revenue is raised at the extreme tax rates of 0% and 100%, government collect zero (0) revenue due to changes in behaviour of tax payers in response to the tax rate either losing their incentive to do business or finding numerous ways to evade tax just like 0% tax rate where no revenue is raised.

The theory further explained the two effects of taxation namely: the arithmetic and economic effects of tax rates on revenue. The two effects have opposite results on revenue in case of decrease or increase in tax rates. According to the arithmetic effect, if tax rates are lowered, tax revenue will be lowered by the amount of the decrease in the rate. That is the amount of the tax revenue is a function of income available for taxation multiplied by the tax rate. Thus Revenue R is equal to t x B where t is the tax rate and B is the taxable base ($R = t \times B$). The economic effect however recognised the positive impact that lower tax rate has on work, output, employment and entrepreneurship growth. At a high tax rate with multiple imposition, negative economic effect

like tax evasion and disinvestment will dominate arithmetic effect leading to decline in tax revenue (Lawal&Aduku, 2016).

METHODOLOGY

Survey research design was adopted in this study. Data for the study were primarily obtained through questionnaire designed to reflect five (5) point Likert scale. The questionnaires were administered to three hundred and eighty-seven (387) respondents made up of owners and staff of twenty (20) randomly selected SMEs in Port Harcourt, River state that has done business for about sixteen years covering two political regimes with two tenures each. Out of the distributed questionnaire, 375 of them were properly filled and returned representing a response rate of 97%.

The study hypotheses were also tested using ordinary least square regression analysis and correlation coefficients having applied the descriptive statistics using simple percentage.

DATA ANALYSIS AND RESULTS

This section presents the results and analysis of data collected from respondents as well as the interpretation of the results and discussion of the findings as it relates to the research objectives and questions posed by this study.

DEMOGRAPHIC INFORMATION ANALYSIS

TABLE 1: DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

Variables	Frequency	Percentage
Gender: Male	141	37.6
Female	234	62.4
Age (Years):		
21-30	182	48.5
31-40	135	36.0
41-50	44	11.7
51 Years and above	14	3.7
Marital Status:		
Married	225	60.0
Single	150	40.0
Qualification: HND	65	17.3
B.Sc.	166	44.3
M.Sc./MBA	144	38.4
Cognate work experience:		
Less than 5 years	141	37.6
6-10 years	144	38.4
11-15 years	53	14.1
16 years and above	37	9.9

Source: Author's computation of Field Survey Data (2020)

As seen from table 1 above, more female respondents participated in the survey than their male counterparts, although both genders were significantly represented in the survey. Also, majority of the respondents are aged between 21 and 30 years, while majority of the respondents are married. Additionally, majority of the respondents are B.Sc. degree holders, while majority of the respondents have been in business for more at least 6 years but not more than 10 years.

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DESCRIPTIVE STATISTICS OF RESEARCH QUESTIONS

The collated responses for the research question responses are shown in the tables below.

TABLE 2: MOBILE FEES AND LEVIES

ITEM	SA	A	UN	D	SD	Total	
	N %	N %	N %	N %	N %	TOTAL	MSD
Multiple taxation like mobile fees and levies increases running cost of SMEs	231 61.6%	97 25.9%	23 6.1%	7 1.9%	17 4.5%	375	4.32 1.12
Multiple taxation reduces the much-needed cash required for business growth	175 46.9%	161 42.9%	30 8.0%	---	8 2.1%	375	4.19 1.11
SMEs are taxed fixed levies without regards for ability to pay by government agencies	230 61.3%	97 25.9%	44 11.7%	4 1.1%	---	375	4.25 1.27
Disproportionate multiple taxation practices are detrimental to the budgetary and planning of SMEs	223 59.5%	100 26.7%	40 10.7%	10 2.7%	2 0.5%	375	4.24 1.24
Multiple taxation constitutes a major challenge to SMEs sustainability	192 51.2%	156 41.6%	15 4.0%	6 1.6%	6 1.6%	375	4.34 .91

Source: Author's Compilation of Field Survey Data (2020)

From table 2 above 1.9%% (n=7) of the respondents disagreed that multiple taxation like mobile fees and levies increases running cost of SMEs. 4.5% (n=17) strongly disagree,25.9% (n=97) agreed, 61.6% (n=231) strongly agreed while 6.1%(n=23) were undecided. The result shows that more of the respondents agreed that multiple taxation like mobile fees and levies increases running cost of SMEs.Also, 2.1% (n=8) of the respondents strongly disagreed that multiple taxation reduces the much-needed cash required for business growth. However, 42.9% (n=161) agreed, 46.9% (n=176) strongly agreed while, 8.0%(n=30)were undecided. We find that more of the respondents agree that multiple taxation reduces the much-needed cash required for business growth.In addition, 1.1% (n=4) of the respondents disagreed that SMEs are taxed fixed levies without regards for ability to pay by government agencies. However, 61.3% (n=230) strongly agreed, 25.9% (n=97) agreed, while 11.7% (n=44) were undecided. The results show that a greater percentage of the respondents agree that SMEs are taxed fixed levies without regards for ability to pay by government agencies.

Moreover, 2.7% (n=10) of the respondents disagreed that disproportionate multiple taxation practices are detrimental to the budgetary and planning of SMEs. 5% (n=2) strongly disagreed, 10.7% (n=40) were undecided, 26.7% (n=100) agreed, while 59.5% (n=223) strongly agreed. The results show that more of the respondents agree that Disproportionate multiple taxation practices are detrimental to the budgetary and planning of SMEs.Lastly, 1.6% (n=6) of the respondents disagreed that Multiple taxation constitutes a major challenge to SMEs sustainability.1.6% (n=6) strongly disagreed, 4.0% (n=15) were undecided, 41.6% (n=156) agreed, while 51% (n=192) strongly agreed. The results show that more of the respondents agree that multiple taxation constitutes a major challenge to SMEs sustainability.

TABLE 3: COMPLIANCE COST

ITEM	SA	A	U	D	SD	Total	
	N %	N %	N %	N %	N %	TOTAL	M SD
Tax laws have become more complex which requires compliance test to reduce tax evasion	204 54.4%	125 33.3%	34 9.1%	10 2.7%	2 .5%	375	4.23 1.16
Tax compliance cost for our business are significant and affects your organizations financial position	196 52.3%	128 34.1	37 9.9%	14 3.7%	---	375	4.19 1.19
Frequency of changes in tax laws and designs are of compliance cost	228 60.8%	111 29.6%	29 7.7%	5 1.3%	2 .5%	375	4.35 1.10
Large firms deal with multitude of tax obligations which increases their compliance cost	229 61.1%	117 31.2%	15 4.0%	6 1.6%	8 2.1 %	375	4.43 .94
Frequency of changes in tax administrative practices is a driver of compliance cost	211 56.3%	113 30.1%	30 8.0%	14 3.7%	7 1.9 %	375	4.25 1.15

Source: Author's computation of Field Survey Data (2019) using SPSS version 23

From the table 3 above, 33.3% (n=125) of the respondents agreed that tax laws have become more complex which requires compliance test to reduce tax evasion.54.4% (n=204) strongly agreed, 2.7% (n=10) disagreed, 5% (n=2) strongly disagreed, while 9.1% (n=34) undecided. The results indicate that majority of the respondents agree that Tax laws have become more complex which requires compliance test to reduce tax evasion. Likewise, 3.7% (n=14) of the respondents disagreed that Tax compliance cost for our business are significant and affects your organizations financial position,9.9% (n=37) could not decide, 34.1% (n=128) agreed, while

52.3% (n=196) strongly agreed. The results indicate a greater number of the respondents agree that Tax compliance cost for our business are significant and affects your organizations financial position.Moreover, 1.3% (n=5) of the respondents disagreed that Frequency of changes in tax laws and designs are drivers of compliancecost.5% (n=2) strongly disagreed 7.7% (n=29) were undecided, 29.6% (n=111) agreed, while 60.8% (n=228) strongly agreed. The results show that more of the respondents disagree that Frequency of changes in tax laws and designs are drivers of compliance cost.

Moreover, 2.1% (n=8) of the respondents strongly disagreed that Large firms deal with multitude of tax obligations which increases their compliance cost.1.6% (n=6) disagreed, 4.0% (n=15) were undecided, 31.2% (n=117) agreed, while 61.1% (n=229) strongly agreed. The results are indicative of the fact that a larger portion of the respondents agree that large firms deal with multitude of tax obligations which increases their compliance cost. Finally, 1.9% (n=7) of the respondents strongly disagreed that Frequency of changes in tax administrative practices is a driver of compliance cost. 3.7% (n=14) disagreed, 8.0% (n=30) were undecided, 30.1% (n=113) agreed, while 56.3% (n=211) strongly agreed. This shows that more of the respondents agree that Frequency of changes in tax administrative practices is a driver of compliance cost.

TABLE 4: VALUE ADDED TAX

ITEM	SA	A	U	D	SD	Total	
	N %	N %	N %	N %	N %	TOTAL	M SD
The levy on value added tax affects the growth of SMEs	162 43.2%	167 44.5%	30 8.0%	14 3.7%	2 .5%	375	4.14 1.09
The SMEs contribute to the remittances of VAT	181 48.3%	150 40.0%	26 6.9%	---	18 4.8%	375	4.18 1.12
The activities in the SMEs add to the ability to garner VAT	199 53.1%	127 33.9%	41 10.9%	4 1.1%	4 1.1%	375	4.17 1.24
The cost of materials in the SME has been affected by VAT	214 57.1%	99 26.4%	46 12.3%	11 2.9%	5 1.3%	375	4.15 1.31
VAT paid by SMEs affect the cost of operation	226 60.3%	103 27.5%	24 6.45%	10 2.7%	12 3.2%	375	4.32 1.11

Source: Author's Compilation of Field Survey Data (2019)

From the table 4 above, .5% (n=2) of the respondents strongly disagreed that the levy on value added tax affects the growth of SMEs. 3.7% (n=14) disagreed, 44.5% (n=167) agreed, 43.2% (n=162) strongly agreed, while 8.0%(n=30) could not decide. The results indicate an overwhelming amount of the respondents agreed that the levy on value added tax affects the growth of SMEs. Consequently, just 4.8% (n=18) of the respondents strongly disagreed to the SMEs contribute to the remittances of VAT, 6.9% (n=26) were undecided 40.0% (n=150) agree, while 48.3% (n=181) strongly agreed. The results show that a very large percentage of the respondent's agree that the SMEs contribute to the remittances of VAT.Likewise, 1.1% (n=4) of the respondents strongly disagreed to the idea that the activities in the SMEs add to the ability to garner VAT.1.1% (n=4) disagreed, 10.9% (n=41) could not decide, 33.9% (n=127) agreed, 53.1% (n=199) strongly agreed. The results indicate a greater number of the respondents agree that the activities in the SMEs add to the ability to garner VAT.

Moreover, 1.3% (n=5) of the respondents strongly disagreed that the cost of materials in the SME has been affected by VAT. 2.9% (n=11) disagreed 12.3% (n=46) were undecided, 26.4% (n=99) agreed, while 57.1% (n=214) strongly agreed. This shows that more of the respondents agree that the cost of materials in the SME has been affected by VAT.Finally, 2.7% (n=10) of the respondents disagreed that VAT paid by SMEs affect the cost of operation, 6.4% (n=24) were undecided, 27.5% (n=103) agreed, while 60.3% (n=226) strongly agreed. This shows that more of the respondents agree that VAT paid by SMEs affect the cost of operation.

TABLE 5: PROPERTY TAX

ITEM	SA	A	U	D	SD	Total	
	N %	N %	N %	N %	N %	TOTAL	M SD
Property tax are charged on land and properties of the organization by the government	260 69.3%	78 20.8%	24 6.4%	7 1.9%	2 .5%	375	4.48 1.04
Property tax as a means of generating state and local government revenue from commercial properties occurs often on SMEs	195 52.0 %	132 35.2%	17 4.5%	25 6.7%	6 1.6%	375	4.29 .99
SMEs contribute to the government revenue through compliance in payment of property tax	209 55.7%	123 32.8%	33 8.8%	3 .8%	7 1.9%	375	4.25 1.17
Tax payers are	208	96	49	13	9	375	4.08

aware of the property taxes more than they are of other taxes	55.5%	25.6%	13.1 %	3.5%	2.4%		1.36
There is a high rate of compliance on property tax in the SMEs	198 52.8%	118 31.5%	34 9.1%	19 5.1%	6 1.6%	375	4.17 1.19

Source: Author's Compilation of Field Survey Data (2019)

From the table 5above, .5% (n=2) of the respondents could strongly disagree that Property tax are charged on land and properties of the organization by the government, 1.9% (n=7) disagreed, 6.4% (n=24) were undecided, 20.8% (n=78) agree, while 69.9% (n=260) strongly agreed. The results indicate an overwhelming amount of the respondents agree that Property tax are charged on land and properties of the organization by the government. Consequently, just 1.6% (n=6) of the respondents strongly disagree that Property tax as a means of generating state and local government revenue from commercial properties occurs often on SMEs.6.7% (n=25) disagreed,4.5%(n=17) were undecided,35.2% (n=132) agree, while 52.0% (n=195) strongly agreed. The results show that a very large percentage of the respondents agree that Property tax as a means of generating state and local government revenue from commercial properties occurs often on SMEs.Likewise, 1.9% (n=7) of the respondents strongly disagreed to the idea that SMEs contribute to the government revenue through compliance in payment of property tax, .8% (n=3) disagree, 32.8% (n=123) agreed, 8.8%(n=33) were undecided,55.7%(n=209) strongly agreed. The results indicate a greater number of the respondents agree that SMEs contribute to the government revenue through compliance in payment of property tax.

Moreover, 2.4% (n=9) of the respondents strongly disagreed that Tax payers are aware of the property taxes more than they are of other taxes,3.5% (n=13) disagreed, 13.1% (n=48) were undecided, 25.6%(n=96) agree, while 55.5% (n=208) strongly agreed. This shows that more of the respondents that agreed that Tax payers are aware of the property taxes more than they are of other taxes. Finally, 1.6% (n=6) of the respondents strongly disagreed that There is a high rate of compliance on property tax in the SMEs, 5.1% (n=19) disagree, 9.1% (n=34) were undecided, 31.5% (n=118) agreed, while 52.8% (n=198) strongly agreed. This shows that more of the respondents agree that there is a high rate of compliance on property tax in the SMEs.

TABLE 6: RETURN ON ASSETS

ITEM	**SA**	**A**	**D**	**SD**	**U**	**Total**	
	N %	**N %**	**N %**	**N %**	**N %**	**TOTAL**	**M SD**
Return of Assets shows the investment capability of organizations	150 40.0%	173 46.1%	23 6.1%	10 2.7%	19 5.1%	375	4.13 1.00
Return on Assets compares earnings with	167 44.5%	141 27.6%	30 3.5%	13 3.5%	24 6.4%	375	4.10 1.11

investment capital							
Organizations gain more earnings from less investments	179 47.7%	126 33.6%	19 5.1%	19 5.1%	32 8.5%	375	4.07 1.22
Organizations are profitable in relative to their total asset	140 37.3%	158 42.1%	20 5.3%	19 5.1%	38 10.1	375	3.91 1.24
Return on investment and assets are affected by multiple taxation	203 54.1%	108 28.8%	24 6.4%	8 2.1%	32 8.5%	375	4.18 1.19

Source: Author's Compilation of Field Survey Data (2019)

From the table 6 above, 2.7% (n=10) of the respondents could strongly disagree that Return of Assets shows the investment capability of organizations, 6.1% (n=23) disagreed, 5.1% (n=19) were undecided 46.1%(n=173) agree, while 40.4% (n=150) strongly agreed. The results indicate an overwhelming amount of the respondents agree that Return of Assets shows the investment capability of organizations. Consequently, just 3.5% (n=13) of the respondents strongly disagree that Return on Assets compares earnings with investment capital.8.0% (n=30) disagreed, 6.4% (n=24) were undecided, 37.6%(n=141) agree, while 44.5% (n=167) strongly agreed. The results show that a very large percentage of the respondents agree that Return on Assets compares earnings with investment capital.Likewise, 5.1% (n=19) of the respondents strongly disagreed to the idea that organizations gain more earnings from less investments, 5.1% (n=19) disagree, 33.6% (n=126) agreed, 47.7% (n=179) strongly agreed while 8.5%(n=32) were undecided. The results indicate a greater number of the respondents agree that Organizations gain more earnings from less investments.

Moreover, 5.1% (n=19) of the respondents strongly disagreed that Organizations are profitable in relative to their total asset,5.3% (n=20) disagreed, 42.1% (n=158) agree, 10.1%(n=38) were undecided, while 37.3% (n=140) strongly agreed. This shows that more of the respondents that agreed that Organizations are profitable in relative to their total asset.Finally, 2.1 (n=8) of the respondents strongly disagreed that Return on investment and assets are affected by multiple taxation. 6.4% (n=24) disagree, 8.5% (n=32) were undecided, 28.8% (n=108) agreed, while 54.1% (n=203) strongly agreed. This shows that more of the respondents agree that Return on investment and assets are affected by multiple taxation.

TABLE 7: RETURN ON CAPITAL EMPLOYED

ITEM	**SA**	**A**	**UN**	**D**	**SD**	**Total**	
	N %	**N %**	**N %**	**N %**	**N %**	**TOTAL**	**M SD**
Organizations monitor the ration	193 51.5%	131 34.9%	27 7.2%	8 2.1%	16 4.3%	375	4.19 1.14

between their profit and the capital employed in the business							
Return on capital employed is used to determine the financial valuation of SMEs	168 44.8%	141 37.6%	29 7.7%	28 7.5%	9 2.4%	375	4.09 1.14
Multiple taxation affects the available resources used by organizations which is usually evaluated using returns on capital employed	201 53.6%	122 32.5%	39 10.4%	10 2.7%	3 .8%	375	4.18 1.22
Multiple taxation affects organization consistent measures of its return on capital employed	168 44.8%	160 42.7%	35 9.3%	4 1.1%	8 2.1%	375	4.11 1.17
Multiple taxation affects the funding of SMEs in Rivers state	146 98.9%	13 34.9%	47 12.55	16 4.3%	31 8.3	375	3.80 1.37

Source: Author's Compilation of Field Survey Data (2019)

From table 7 above, 2.1%% (n=8) of the respondents disagreed that Organizations monitor the ration between their profit and the capital employed in the business 4.3% (n=16) strongly disagree 34.9% (n=131) agreed,7.2%(n=27) were undecided, while 51.5% (n=193) strongly agreed. The result shows that more of the respondents disagreed that organizations monitor the ration between their profit and the capital employed in the business.Similarly, 7.5% (n=28) of the respondents disagreed that Return on capital employed is used to determine the financial valuation of SMEs.2.4% (n=9) strongly disagreed, 7.7%(n=29) were undecided.37.6% (n=141) agreed, while 44.8% (n=168) strongly agreed. The results suggest that majority of the respondents disagreed that Return on capital employed is used to determine the financial valuation of SMEs.Also, 2.7% (n=10) of the respondents disagreed that Multiple taxation affects the available resources used by organizations which is usually evaluated using returns on capital employed,.8% (n=3) strongly disagreed, 10.4%(n=39) were undecided,32.5% (n=122) agreed, while 53.6% (n=201) strongly agreed. We find that more of the respondents agree that multiple taxation affects the available resources used by organizations which is usually evaluated using returns on capital employed.

In addition, 1.1% (n=4) of the respondents disagreed that multiple taxation affects organization consistent measures of its return on capital employed. 2.1% (n=8) strongly disagreed, 9.3% (n=35) undecided, 42.7% (n=160) agreed, while 44.8% (n=168) strongly agreed. The results show that a greater percentage of the respondents,agree that multiple taxation affects organization consistent measures of its return on capital employed.Lastly, 4.3% (n=16) of the respondents disagreed that multiple taxation affects the funding of SMEs in Rivers state, 8.3% (n=31) strongly disagreed, 12.5% (n=47) were undecided, 34.9% (n=131) agreed, while 38.9% (n=146) strongly agreed. The results show that more of the respondents disagree that multiple taxation affects the funding of SMEs in Rivers state.

TABLE 8: SALES GROWTH

ITEM	SA	A	UN	D	SD	Total	
	N %	N %	N %	N %	N %	TOTAL	M SD
Increasing sales is very important for business survival and growth	203 54.1%	111 29.6%	48 12.8%	3 .8%	10 2.7%	375	4.10 1.34
The goal of the business is to increase market share through product improvement strategies	177 47.2%	155 41.3%	21 5.6%	6 1.6%	16 4.3%	375	4.20 1.06
Sales growth requires SMEs to be result oriented	182 48.5%	126 33.6%	39 10.4%	10 2.7%	18 4.8%	375	4.05 1.28
Product innovation and development is a driver of sales growth and expansion of business	161 42.9%	123 32.8%	26 6.9%	45 12.0 %	20 5.3%	375	3.99 1.17
Product differentiation increases sales and enhance growth of SMEs	142 37.9%	148 39.5%	29 7.7%	22 5.9%	34 9.1%	375	3.91 1.22

Source: Author's Compilation of Field Survey Data (2019)

From table 8 above .8%(n=3) of the respondents disagreed that Increasing sales is very important for business survival and growth, 2.7% (n=10) strongly disagree, 12.8%(n=48) were undecided. 29.6% (n=111) agreed, while 54.1% (n=203) strongly agreed. The result shows that more of the respondents agreed that increasing sales is very important for business survival and growth.Similarly, 1.6% (n=6) of the respondents disagreed that the goal of the business is to

increase market share through product improvement strategies. 4.3% (n=16) strongly disagreed, 5.6%(n=21) were undecided.41.3% (n=155) agreed, while 47.2% (n=177) strongly agreed. The results suggest that majority of the respondents disagreed that the goal of the business is to increase market share through product improvement strategies.In addition, 2.7% (n=10) of the respondents disagreed thatsales growth requires SMEs to be result oriented. 4.8% (n=18) strongly disagreed, 10.4% (n=39) undecided, 33.6% (n=126) agreed, while 48.5% (n=182) strongly agreed. The results show that a greater percentage of the respondents disagree that Sales growth requires SMEs to be result oriented.

Also, 12.0% (n=45) of the respondents disagreed that Product innovation and development is a driver of sales growth and expansion of business, 5.3% (n=20) strongly disagreed,6.9%(n=26) were undecided. 32.8% (n=123) agreed, while 42.9% (n=161) strongly agreed. We find that more of the respondents agree that Product innovation and development is a driver of sales growth and expansion of business. Lastly, 5.9% (n=148) of the respondents disagreed that Product differentiation increases sales and enhance growth of SMEs 9.1% (n=34) strongly agreed, 7.7% (n=29) were undecided, 39.5% (n=148) agreed, while 37.9% (n=142) strongly agreed. The results show that more of the respondents disagree that Product differentiation increases sales and enhance growth of SMEs.

TABLE 9: ASSET TANGIBLE

ITEM	SA	A	UN	D	SD	Total	
	N %	N %	N %	N %	N %	TOTAL	M SD
Multiple taxation affects SMEs soured funds which is sometimes through Debt financing	184 49.1%	108 28.8%	68 18.1%	7 1.9%	8 2.1%	375	3.89 1.49
SMEs source funds through external equity which boosts sustainability	145 38.7%	149 39.7%	54 14.4%	21 5.6%	6 1.6%	375	3.87 1.33
Sustainability of SMEs is threatened by debt financing which is sourced through heavy collateral such as inventory business equipment etc.	184 49.1%	112 29.9%	43 11.5%	25 6.7%	11 2.9%	375	4.02 1.30
SMEs share ownership	146 38.9%	146 38.9%	33 8.8	38 10.1%	12 3.2%	375	3.96 1.18

structure through equity financing in order to expand and grow the business							
Increase in firm value influences financing decisions	169 45.1%	111 29.6%	36 9.6%	27 7.2%	32 8.5%	375	3.92 1.31

Source: Author's Compilation of Field Survey Data (2019)

From table 9 above 1.9% (n=7) of the respondents disagreed that Multiple taxation affects SMEs soured funds which is sometimes through Debt financing, 2.1% (n=8) strongly disagree,18.1%(n=68) were undecided,28.8% (n=108) agreed, while 49.1% (n=184) strongly agreed. The result shows that more of the respondents agreed that multiple taxation affects SMEs soured funds which is sometimes through Debt financing.Similarly, 5.6% (n=21) of the respondents disagreed that SMEs source funds through external equity which boosts sustainability 1.6% (n=6) strongly disagreed,14.4%(n=54)were undecided,39.7% (n=149) agreed, while 38.7% (n=145) strongly agreed. The results suggest that majority of the respondents agreed that SMEs source funds through external equity which boosts sustainability. In addition, 6.7% (n=25) of the respondents disagreed thatsustainability of SMEs is threatened by debt financing which is sourced through heavy collateral such as inventory business equipment etc. 2.9% (n=11) strongly disagreed, 11.5% (n=43) were undecided, 29.9% (n=112) agreed, while 49.1% (n=184) strongly agreed. The results show that a greater percentage of the respondents agree that sustainability of SMEs is threatened by debt financing which is sourced through heavy collateral such as inventory business equipment etc.

Also, 10.1% (n=38) of the respondents disagreed that SMEs share ownership structure through equity financing in order to expand and grow the business, 3.2% (n=12) strongly disagreed,8.8%(n=33) were undecided,38.9% (n=146) agreed, while 38.9% (n=146) strongly agreed. We find that more of the respondents agree that SMEs share ownership structure through equity financing in order to expand and grow the business.Lastly, 7.2% (n=27) of the respondents disagreed that increase in firm value influences financing decisions, 8.5 % (n=32) strongly disagreed, 9.6% (n=36) were undecided, 29.6% (n=111) agreed, while 45.1% (n=169) strongly agreed. The results show that more of the respondents agree that increase in firm value influences financing decisions.

EMPIRICAL ANALYSIS OF RESEARCH OBJECTIVES

Using regression analysis and correlation coefficients, the research hypotheses earlier formulated will be tested and either accepted or rejected based on the findings of the results.

Research Question 1

To what extent does multiple taxation affect the returns on assets of SMEs in Nigeria?

Hypothesis 1

There is no significant effect of multiple taxation on the ROA (returns on assets) of SMEs in Nigeria.

TABLE 10

Multiple Taxation and ROA						
Model 1 $Y = \alpha_0 + \beta_1 x_1 + \mu$		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.832	1.449		2.645	.009
	MFL	.063	.061	.069	1.025	.307
	CC	-.259	.071	.271	3.658	.000
	VAT	-.060	.062	.062	2.959	.023
	PT	.396	.067	.392	5.911	.000
a. Dependent Variable: ROA **$r = 0.659$, $r^2 = 0.434$, $F = 37.020$, $p = 0.000$**						

Source: Author's Computation of Field Survey Data (2020)

Research objective one sought to evaluate the effect of multiple taxation and levies affect the returns on assets of SMEs in Nigeria. From the results in table 10 above, mobile fees and levies (MFL) has an insignificant and positive impact on return on assets (ROA). That is, a 1% increase in MFL would cause ROA to increase by 6.3%. This finding implies that there is a direct relationship between mobile fees and levies and returns on assets of SMEs in Nigeria. This finding does not conform to theory. Also, the positive effect is insignificant since the p-value is greater than 0.05.Also, cost of compliance has a negative and significant effect on return on assets (ROA). That is, a 1% increase in the cost of compliance would cause ROA to reduce by about 26%. This finding implies that there is an inverse relationship between cost of compliance and returns on assets of SMEs in Nigeria. This finding conforms to theory. Also, the negative effect is significant since the p-value is less than 0.05.

In a similar vein, VAT has a negative and significant effect on return on assets (ROA). That is, a 1% increase in the VAT would cause ROA to reduce by about 6%. This finding implies that there is an inverse relationship between VAT and returns on assets of SMEs in Nigeria. This finding also conforms to theory. Also, the negative effect is significant since the p-value is less than 0.05.Lastly, property tax has a positive and significant effect on return on assets (ROA). That is, a 1% increase in property tax would cause ROA to increase by about 40%. This finding implies that there is a positive relationship between property tax and returns on assets of SMEs in Nigeria. This finding is not consistent with theory. Also, the positive effect is significant since the p-value is less than 0.05.

Furthermore, a look at the summary statistics reveals that the relationship between multiple taxation and returns on assets is positive and strong with a correlation coefficient of 0.659, while the model has a fairly good fit, as the coefficient of determination (Adj. R^2) indicates that over 43% of the variations in returns on assets is explained by multiple taxation. The F-statistic of 37.020 with a significant p-value that is less than 0.05, indicating that the independent variables jointly explain the dependent variable significantly and that the model is significant. From the results therefore, the null hypothesis is rejected and the conclusion is that multiple taxation has a significant impact on the returns on assets of SMEs in Nigeria.

Research Question 2

What is the effect of multiple taxation on the returns on capital expenditure of SMEs in Nigeria?

Hypothesis 2

There is no significant effect of multiple taxation on the ROCE (returns on capital expenditure) of SMEs in Nigeria.

TABLE 11

Multiple Taxation and ROCE						
Model 2 $Y = \alpha_0 + \beta_2 x_2 + \mu$		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	8.853	1.547		5.721	.000
	MFL	-.068	.065	.082	1.042	.299
	CC	-.035	.076	.039	.457	.648
	VAT	-.152	.067	.171	2.288	.023
	PT	.290	.072	.312	4.045	.000
b. Dependent Variable: ROCE **r = 0.484, r^2 = 0.234, F = 14.732, p = 0.000**						

Source: Author's computation of Field Survey Data (2020)

Objective two sought to identify the effect of multiple taxation on the returns on capital expenditure of SMEs in Nigeria. From the results in table 11 above, mobile fees and levies (MFL) has an insignificant and negative impact on returns on capital expenditure (ROCE). That is, a 1% increase in MFL would cause ROCE to reduce by 6.8%. This finding implies that there is an inverse relationship between mobile fees and levies and returns on capital expenditure of SMEs in Nigeria. This finding conforms to theory. Also, the negative effect is insignificant since the p-value is greater than 0.05.Also, cost of compliance has a negative and insignificant effect on returns on capital expenditure (ROCE). That is, a 1% increase in the cost of compliance would cause ROCE to reduce by about 3.5%. This finding implies that there is an inverse relationship between cost of compliance and returns on capital expenditure of SMEs in Nigeria. This finding conforms to theory. Also, the negative effect is insignificant since the p-value is greater than 0.05.

In a similar vein, VAT has a negative but significant effect on returns on capital expenditure (ROCE). That is, a 1% increase in the VAT would cause ROCE to reduce by about 15%. This finding implies that there is an inverse relationship between VAT and returns on capital expenditure of SMEs in Nigeria. This finding also conforms to theory. Also, the negative effect is significant since the p-value is less than 0.05.Lastly, property tax has a positive and significant effect on returns on capital expenditure (ROCE). That is, a 1% increase in property tax would cause ROCE to increase by about 29%. This finding implies that there is a positive relationship between property tax and returns on capital expenditure of SMEs in Nigeria. This finding is not consistent with theory. Also, the positive effect is significant since the p-value is less than 0.05.

Furthermore, a look at the summary statistics reveals that the relationship between multiple taxation and returns on assets is positive and strong with a correlation coefficient of 0.484, while the model has a low fit, as the coefficient of determination (Adj. R^2) indicates that about23% of the variations in returns on capital expenditure is explained by multiple taxation. The F-statistic of 14.732 with a significant p-value that is less than 0.05, indicating that the independent variables jointly explain the dependent variable significantly and that the model is significant.

From the results therefore, the null hypothesis is rejected and the conclusion is that multiple taxation has a significant impact on the returns on capital expenditure of SMEs in Nigeria.

Research Question 3

What is the effect of multiple taxation on the sales growth of SMEs in Nigeria?

Hypothesis 3

There is no significant effect of multiple taxation on the sales growth of SMEs in Nigeria.

TABLE 12

Multiple Taxation and Sales Growth						
Model 3 $Y = \alpha_0 + \beta_3 x_3 + \mu$		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
3	(Constant)	13.845	1.822		7.599	.000
	MFL	.055	.077	.062	.720	.473
	CC	-.119	.089	-.126	-1.331	.185
	VAT	.098	.078	.102	1.248	.213
	PT	.266	.084	.266	3.158	.002
c. Dependent Variable: SG **r = 0.290, r^2 = 0.084, F = 4.442, p = 0.002**						

Source: Author's computation of Field Survey Data (2020)

Objective three sought to examine the effect of multiple taxation on the sales growth of SMEs in Nigeria. From the results in table 12 above, mobile fees and levies (MFL) has an insignificant and positive impact on sales growth (SG). That is, a 1% increase in MFL would cause SG to increase by 5.5%. This finding implies that there is a direct relationship between mobile fees and levies and sales growth of SMEs in Nigeria. This finding does not conform to theory. Also, the positive effect is insignificant since the p-value is greater than 0.05.Also, cost of compliance has a negative but insignificant effect on sales growth (SG). That is, a 1% increase in the cost of compliance would cause SG to reduce by about 12%. This finding implies that there is an inverse relationship between cost of compliance and sales growth of SMEs in Nigeria. This finding conforms to theory. Also, the negative effect is insignificant since the p-value is greater than 0.05.

In a similar vein, VAT has a positive and insignificant effect on sales growth (SG). That is, a 1% increase in the VAT would cause SG to increase by about 10%. This finding implies that there is a positive relationship between VAT and sales growth of SMEs in Nigeria. This finding does not conform to theory. However, the positive effect is insignificant since the p-value is greater than 0.05.Lastly, property tax has a positive and significant effect on sales growth (SG). That is, a 1% increase in property tax would cause SG to increase by about 27%. This finding implies that there is a positive relationship between property tax and sales growth of SMEs in Nigeria. This finding is not consistent with theory. Also, the positive effect is significant since the p-value is less than 0.05.

Furthermore, a look at the summary statistics reveals that the relationship between multiple taxation and returns on assets is positive but weak with a correlation coefficient of 0.290, while the model has a bad fit, as the coefficient of determination (Adj. R^2) indicates that over 43% of

the variations in returns on assets is explained by multiple taxation. The F-statistic of 4.442 with a significant p-value that is less than 0.05, indicates that the independent variables jointly explain the dependent variable significantly and that the model is significant. From the results therefore, the null hypothesis is accepted and the conclusion is that multiple taxation does not have a significant impact on the sales growth of SMEs in Nigeria.

Research Question 4

What is the significant relationship between multiple taxation and the assets tangibility of SMEs in Nigeria?

Hypothesis 4

There is no significant relationship between multiple taxation and assets tangibility.

TABLE 13

Multiple taxation and Asset Tangibility						
Model 4 $Y = \alpha_0 + \beta_4 x_4 + \mu$		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
4	(Constant)	8.810	1.834		4.803	.000
	MFL	-.140	.078	.146	2.335	.023
	CC	-.117	.090	.116	1.300	.195
	VAT	-.301	.079	.294	3.806	.000
	PT	-.047	.085	-.044	-3.554	.000
d. Dependent Variable: AT **r = 0.435, Adj. r^2 = 0.173, F = 11.216, p = 0.000**						

Source: Author's computation of Field Survey Data (2020)

Objective four sought to determine the relationship between multiple taxation and the assets tangibility of SMEs in Nigeria. From the results in table 13 above, mobile fees and levies (MFL) has a significant and negative impact on asset tangibility (AT). That is, a 1% increase in MFL would cause AT to decrease by 14%. This finding implies that there is an inverse relationship between mobile fees and levies and asset tangibility of SMEs in Nigeria. This finding is consistent with theory. Also, the negative effect is significant since the p-value is greater than 0.05.Also, cost of compliance has a negative but insignificant effect on asset tangibility (AT). That is, a 1% increase in the cost of compliance would cause AT to reduce by about 12%. This finding implies that there is an inverse relationship between cost of complianceand asset tangibility of SMEs in Nigeria. This finding conforms to theory. Also, the negative effect is insignificant since the p-value is greater than 0.05.

In a similar vein, VAT has a negative and significant effect on asset tangibility (AT). That is, a 1% increase in the cost of compliance would cause AT to reduce by about 30%. This finding implies that there is an inverse relationship between VAT and asset tangibility of SMEs in Nigeria. This finding also conforms to theory. Also, the negative effect is significant since the p-value is less than 0.05.Lastly, property tax has a negative and significant effect on asset tangibility (AT). That is, a 1% increase in property tax would cause AT to reduce by about 4.7%. This finding implies that there is a negative relationship between property tax andasset tangibility of SMEs in Nigeria. This finding is consistent with theory. Also, the negative effect is significant since the p-value is less than 0.05.

Furthermore, a look at the summary statistics reveals that the relationship between multiple taxation and asset tangibility is positive and fairly strong with a correlation coefficient of 0.435, while the model has a low fit, as the coefficient of determination (Adj. R^2) indicates that about 17% of the variations in asset tangibility is explained by multiple taxation. The F-statistic of 11.216 with a significant p-value that is less than 0.05, indicating that the independent variables jointly explain the dependent variable significantly and that the model is significant. From the results therefore, the null hypothesis is rejected and the conclusion is that multiple taxation has a significant impact on the asset tangibility of SMEs in Nigeria.

DISCUSSION OF FINDINGS

Findings from the estimated and analysed model results showed that the multiple taxation has a significant impact on the returns on assets of SMEs in Nigeria. The result also found that cost of compliance and value added tax had significant and negative effect, while property tax and mobile fees and levies had positive effect on returns on assets, although the effect of mobile fees and levies was insignificant. A look at the results also showed that cost of compliance had the biggest significant effect on returns on assets while VAT had the least significant effect.Also, the study found that multiple taxation has a significant impact on the returns on capital expenditure of SMEs in Nigeria. This is because two of the four variables of multiple taxation exhibited significant effect on return on capital expenditure. The result also found that mobile fees and levies, cost of compliance, and value added tax had negative effects with the effect of VAT significant, while property tax had positive and significant effect on returns on capital expenditure. Multiple taxation has a depressing effect on the returns on capital expenditure of SMEs and hence negatively affects their sustainability.Multiple taxation does not have a significant impact on the sales growth of SMEs in Nigeria. This is seen in the fact that three out of the four variables of multiple taxation exhibited insignificant effects on sales growth. The results also showed that only cost of compliance had a negative effect on sales growth while the other variables of multiple taxation had positive but largely insignificant effects on sales growth. This finding implies that while multiple taxation would increase sales growth, this positive effect is largely insignificant.

The findings are not consistent with the work of Machira and Irura (2016) and Mercy and Samson (2018) who found that there was a significant correlation between taxation and SMEs sector growth. Also, the study found that that multiple taxation has a significant impact on the asset tangibility of SMEs in Nigeria. This is because three out of the four variables of multiple taxation had significant and negative impact on asset tangibility of SMEs in Nigeria. Only cost of compliance exhibited an insignificant effect on asset tangibility. The finding therefore implies that multiple taxation adversely affects the value of assets of SMEs thereby inhibiting their growth and sustainability.Lastly, the intercepts of all regression models are positive, an indication that there are other factors which affect the sustainability of SMEs in Nigeria that are not captured in the model, such that if multiple taxation variables are held constant in a given year, sustainability of SMEs would still improve.

RECOMMENDATION

Based on the findings from the analysis above, the study recommends that;

- Government should review existing tax policies in order to unify it thereby making the tax burden light and improve return on asset of the SMEs

- To ensure business sustainability of SMEs, VAT and property tax should be charged only once and from single source and reduced if possible.
- Multiple tax should be strictly avoided on assets of the company as it inhibits real growth of SMEs in the state.
- Multiple taxation should be outlawed since it has overall adverse effect on all intercepts

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